

APPENDIX E

RESOLUTION

Restrict Irrigation Water Usage

BE IT RESOLVED by the Board of Directors of the Crested Butte South Metropolitan District, a Colorado special district, hereby establishes restrictions on irrigation by any means, of lawns, gardens and other exterior landscaping features and use as follows:

STANDARD RESTRICTIONS. Due to high flow demands through the District's water distribution system during summer irrigation months and the high costs of treating water, and the low volume of water available for irrigation, the following irrigation restriction shall apply each year:

1. LENGTH OF RESTRICTION. The irrigation restriction shall be in effect yearly commencing at 12:00 a.m. on May 1st and continuing until 12:00 p.m. on September 30th. No landscape watering is allowed after this date.
2. HOURS OF RESTRICTION. Irrigation shall only be permitted between 5:00 a.m. and 10:00 a.m. and between 5:00 p.m. and 10:00 p.m. daily.

FREEZE EXEMPTION. The District Manager may, in his sole discretion, issue not more than one exemption permit to a customer from the standard restrictions set forth immediately above if necessary to accommodate the irrigation of landscaping, lawns and trees during freezing weather. The customer shall prominently display a copy of the exemption permit in the area to be irrigated. The exemption permit shall authorize the customer to irrigate during designated times of the day not otherwise authorized. The exemption permit shall be in effect for the restriction period of the year of issuance only, unless earlier terminated by the District Manager due to the establishment of further restrictions on irrigation and use.

EXTRAORDINARY RESTRICTIONS. The District Manager may, if required due to existing or threatened water shortages, further restrict irrigation to alternate days in geographic areas within the District as follows: On even numbered days - First Filing, River Rim and Third Filing. On odd # days - Second Filing.

Such extraordinary restrictions shall automatically be in full force and effect upon two publications of notice in a newspaper of general circulation within the District. Such restrictions shall remain in full force and effect until the earlier of (1) the date the same is rescinded by the District's Manager, or (2) the next regular board meeting, or special board meeting called for the purpose of evaluation of such restriction, unless continued by action of the board

WET WEATHER RESTRICTION. Irrigation shall not be permitted during periods of wet weather. Automatic sprinkler systems must be equipped with moisture sensing devices or rain gauges to shut off water during wet weather.

LANDSCAPE EXEMPTION. The District Manager may, in his sole discretion, issue no more than one exemption permit to a customer from the extraordinary water restrictions set forth immediately above for the purpose of irrigation of newly installed landscaping, lawns and trees. The customer shall prominently display a copy of the exemption permit in the area to be

irrigated. The exemption permit shall authorize the customer to irrigate on an even or odd numbered day not otherwise authorized. The exemption permit shall be in effect for the restriction period of the year of issuance only, unless earlier terminated by the District Manager due to the establishment of further restrictions on irrigation and use.

VIOLATION OF WATER CONSERVATION RESTRICTIONS. Upon violation of any of the standard or extraordinary restrictions set forth above, the District Manager shall cause a written Notice of Violation to be mailed or delivered to the customer who has been found to be violating the provisions of these Rules and Regulations. The Notice of Violation shall specifically state the manner of the violation, with reference to the applicable paragraphs of these Rules and Regulations, and the penalty for such violation as set forth below.

PENALTIES FOR VIOLATIONS. Any person violating any of the standard or extraordinary restrictions set forth above shall subject to the following fines:

Violation of Standard Restrictions:

First Violation:	Written Warning
Second Violation:	\$10
Third Violation:	\$25
Fourth Violation:	\$50
Subsequent Violations:	\$100

Violation of Extraordinary Restrictions:

First Violation:	\$25
Second Violation:	\$50
Third Violation:	\$100
Subsequent Violations:	\$200

OBJECTION TO NOTICE OF VIOLATION. Any customer objecting to any Notice of Violation, or the penalty imposed thereby, may, within 10 days after such notice is mailed to the customer, file a written objection with the District Manager. Failure to timely object to any Notice of Violation shall be deemed a waiver of any objection to such notice or the penalty imposed thereby.

HEARING ON OBJECTION. Upon filing such written objection, the Board shall at its next regular meeting, hear such evidence as the District Manager and customer may present evidence concerning such violation in accordance with such rules as the Board may establish. If the Board finds that a preponderance of the evidence supports a finding that the alleged violation occurred and the penalty imposed was appropriate, then the Notice of Violation shall stand and the penalty imposed thereby shall be imposed. Otherwise, the Board may strike or modify the Notice of Violation and/or penalty imposed in accordance with the evidence presented.

REPEATED OFFENSES. Upon issuance to any customer of a third Notice of Violation, the Board shall, at the next possible regular meeting, determine whether, and upon what conditions, the District should initiate discontinuation of water services. Notice of such hearing shall be mailed to the customer by certified mail to the customer's last known address at least 24 hours before such hearing. In making such determination, the District shall consider any special needs

of the customer, and the detriment to the District of the continual violations of the District's lawn watering regulations. At such hearing, the District Manger and customer may present evidence concerning such determination in accordance such rules as the Board may establish. Notice of any determination shall be mailed to the customer by certified mail to the customer's last known address, and a copy shall be posted on the premises. Any disconnection shall be initiated and exercised in the manner provided by the Districts' Rules and Regulations.

RESOLVED this 21st day of May, 2003

Crested Butte South Metropolitan District

Roger Grogg, President

ATTEST:

Jeff Hanggi, Secretary