

Appendix A

Fees

The Owner/Member shall pay the fees for the following as applicable:

Actual Cost shall mean all direct costs applicable to the connection of a property to the System as it was completed in 2010, including new equipment, surveys, preliminary and design engineering, construction, inspection by the Inspector/Engineer, administrative, regulatory agency fees, bond fees, all required easements and/or rights-of-way, plan approval fees, "as-built" drawings, attorneys' fees, any other Inspector/Engineer expense.

Plant Investment Fee for Residential Construction:

In order to secure funding for future system and capital improvements, the LID shall collect prior to issuance of a building permit the following Plant Investment Fees related to new residential construction:

- New unit on a vacant lot: Regardless of the size of the unit, the Plant Investment Fee shall be calculated as \$13,875 per equivalency ("EQR").

For additions to existing residential structures, the Plant Investment Fee for each bedroom or bathroom added shall be calculated at \$3,470 (an additional .25 EQR).

Plant Investment Fee for Commercial Construction:

In order to secure funding for future system and capital improvements and to accurately charge Owners for the impacts of their new use on the System, the LID shall collect prior to issuance of a building permit Plant Investment Fees related to new commercial construction or new commercial use in the following manner:

The EQR assigned to the new construction or use will be determined on a case by case basis, using the flow analysis formula set forth in Colorado Water Quality Control Regulation number 43. In lieu of relying on Regulation No. 43, the Owner/Member may hire a licensed engineer to conduct an independent flow analysis that may take into account use of specific conservation measures.

All Plant Investment Fees collected shall be placed in a capital reserve fund.

Changes in Use:

- For any change in use from residential to commercial, the methodology described above for new commercial use shall be used to determine any increase or decrease in EQR.
- For any change in use from commercial to residential, the EQR shall be determined using the same bedroom/bathroom formula as for any other residence.

- A change in use that reduces the EQR does not entitle the Member to any refund of the PIF amount originally paid.

Operating Fees: Members shall pay a quarterly operating fee based on the EQR's in Section 6.4.

Changes in flows or modifications to structures that increase or decrease the EQR's shall entitle the Member to a recalculation of their Operating Fees. The increase or decrease in EQR shall be applied to the Member's Operating Fees from the date when the Land Use Building Permit is issued, or the date when the increase occurred.

No refunds will be made for any fees paid prior to notice that a reduction in EQR has occurred. Modifications that decrease the EQR do not entitle the Member to a refund of the PIF originally paid.

Tapping Fee. This fee is intended to cover the cost of the District's inspection of the physical tap and installation of the Customer's Service Line, entering the tap location on the District's as-built drawing set, and other ancillary services needed in connection with a new tap. If repeat inspection services are required due to unacceptable installation or improper scheduling, then the District will charge additional fees based on hourly rates and expenses incurred. This fee will be determined at the time of the application for new service.