

Membership Rules and Guidance

The St. Vrain and Left Hand Water Conservancy District (“District”) will manage the Augmentation Program (“Program”) in accordance with the terms and conditions of the decree entered in Case No. 02CW334, any additional and non-contradictory requirements prescribed by the office of the Division Engineer, and policies, rules and regulations lawfully adopted by the District’s Board of Directors.

1. Program Fees. **All Program fees are set annually by the Board of Directors in December. All decisions by the Board of Directors are final. Specific Fee amounts are available upon request.** The following categories of fees shall be part of the Program:

- 1.1. Application

- 1.1.1. Upon review of District Staff and Engineer Consultant, a one-time Application Fee shall be paid by applicant and shall be due upon 7 days of invoice date.

- 1.1.2. Full Cost Recovery

- 1.1.2.1. A Full Cost Recovery Fee shall be charged to an Applicant who, in-lieu of waiting until October to process the application and receive confirmation of acceptance into the Program in January, desires to expedite the process. The expedited process will apply solely to the Applicant seeking such a service and shall only be authorized after review and approval from Staff and the Board and the one-time Full Cost Recovery Fee is paid. The Full Cost Recovery Fee replaces the Application fee and is due upon submission of application. Expedited requests are taken in any month **except** October through January.

- 1.2. Renewal

- 1.2.1. An annual Renewal Fee shall be paid by members. The Renewal Fee shall consist of both a base fee for the District’s operations and administration of the Program, and a tiered fee for the volume of augmentation water being provided.

- 1.2.2. Payment shall be due within 30 days of invoice. Late payments will require an additional finance charge. The late charge amount is at the sole discretion of District staff.

- 1.2.3.

- 1.3. Name Change

- 1.3.1. A Name Change Fee is required to change a member’s name and/or his or her contact information.

- 1.4. Lag Escrow

- 1.4.1. If the District determines that it has or will have an ongoing obligation to replace lagged depletions for a member’s structure, the member must pay the Renewal Fee for as many years as the lagged depletion obligation continues for the District. For example, if a member is under contract for 325,000 gallons and the lagged effect of such will continue for 3 years, then the member would pay a lump sum of the Renewal fee for each of the 3 years (1 acre-foot x \$Renewal fee x 3 years).

- 1.4.1.1. This is a **one-time** payment which will be assessed to the Member at the first year of membership and will be due at the same time as the Renewal Fee.

Termination (by District or Member)

2. The District will notify the State Division of Water Resources of all terminated members.

Note: The state may seek to curtail the terminated member's water use.

3. Member contracts are specific to the property on which the structure being augmented is located. If a member sells the property identified in the Application, the new owner of the property must notify the District of the name change, pay the Name Change Fee assessed by the District for such change, and abide by all Program rules or risk being terminated from the Program.
 - 3.1. Upon notification to the District by the owner of the property, contracts may be assigned to a subsequent owner of the property on which the use of contracted water is approved. Payment of a Name Change fee will be required.
4. The Contract is annual and may be renewed by its terms and conditions. From time to time, the District may require the Program members to enter into a new Contract. If the member chooses not to enter a new Contract, the Board of Directors can terminate the member from the Program.
5. The District may periodically review member's well permit status with the State Division of Water Resources. In the event a member does not have an active permit, the District will notify the member to permit their well within one (1) year following the notice. If after one (1) year of the notice, the member doesn't have an active permit, the Board of Directors can terminate the member from the Program.
6. If a member desires to make a change to the irrigated area or water uses or leave the Program, that member must provide written notice to the District before September 30 of the year preceding the member's renewal. Members who request termination after September 30 will be required to pay all applicable Program Fees for the following year. For example, if a member doesn't want to be included in the 2017 Program year, written notice must be provided by September 30, 2016.
7. The District may terminate any member for reasons including, but not limited to, non-payment of Program Fees.
8. The District may terminate any member if the District learns that such member is not in compliance with all applicable state and federal laws.
9. During the termination process, the District will determine if the membership calculations included any lag depletions. If the District determines that it has an ongoing obligation to replace such lagged depletions, as a result of the membership, the member loses any Lag Escrow Fees previously paid to the District.
10. If a terminated member chooses to re-enter the Program, the terminated member must reapply. Any outstanding invoice amounts for previous payments to replace continuing obligations for lagged depletions or any other non-payment of Program Fees from the previous membership period must be paid at the then membership rate plus a service charge, which is set annually by the Board of Directors on such outstanding payments before the application is processed.

Miscellaneous

11. In the event of a severe drought or any other circumstance that may complicate the Water Commissioner's ability to effectively administer the river, members may be asked by the District to

curtail or limit their water use and/or to provide the District with additional, and potentially regularly submitted water usage information to ensure that the District can more accurately align the Program's demand projection with the District's supply projection.

12. All members shall be required to make visible the Augmentation Program placard that includes an up to date Program "year" sticker. If the placard is tampered with or not made visible from the street, the Board of Directors can terminate the member from the Program.

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