

RULES AND REGULATIONS
OF
STEAMBOAT II METROPOLITAN
DISTRICT
ROUTT COUNTY, COLORADO

Adopted February 12, 1996
[Revised May 16, 2005]

Adopted by resolution of the Board of Directors on _____.

District Secretary – _____

Steamboat II Metropolitan District Board Members

(Spring, 2005)

Carol Ward, President

Steven J. Schlibline, Vice President at Large

Fred Fuller, Vice President of Operations

Kate Nowak, Secretary

G. Paul Mitchell, Treasurer

* * * * *

Doug Baker, District Manager

Richard Tremaine, Klauzer & Tremaine, LLC, Counsel for District

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1. BOARD POWERS AND PROCEDURES

1.1 Board Powers. The Board of Directors for the Steamboat II Metropolitan District, has those powers and duties which are established under Colorado Statutes, primarily (but not solely) those which are set forth in C.R.S. Section 32-1-1001. [See, e.g. Attorney Memorandum dated 5/20/1995; Exhibit A]

1.2 Board Office/Internet Site. The Board of Directors maintains an office, which includes a conference room and an office for the District's Manager. The office is located in the Riverside Center, along U. S. Highway 40, West. 2851 Riverside Plaza, Suite 13, Steamboat Springs, CO 80487. Mailing address: P.O. Box 771277, Steamboat Springs, CO 80477, Telephone (970) 879-7671.

Further information about the District is at: "www.steamboatii metro.com".

1.3 Rules And Regulations/ Adoption, Amendment. The adoption or amendment of these Rules and Regulations shall require approval of at least 75% of the Board of Directors for the District. Before approving the adoption of, or amendment to, the Rules and Regulations, the Board shall advertise the fact that it will be considering changes to the Rules and Regulations, in advance of making any changes at a meeting of the Board.

In the event that the Board determines, and specifically finds, that there is an "emergency," then the Board may amend these Rules and Regulations on an emergency basis, with such amendment to be effective for a specified period, not to exceed 75 days. If the Board fails to then follow the formal amendment procedure, set forth in the preceding paragraph, then the emergency amendment shall expire at the end of the specified period. However, if the Board proceeds to advertise the proposed amendment, hold a public hearing on the proposed amendment, and adopts it, then it shall be a formal amendment to these Rules and Regulations. [adopted 8/28/03]

1.4 Applications To The Board. Applications may be presented to the Board of Directors for:

- Expansion of the District boundaries;
- Extension of District services to an area outside the District;
- Amendment to the District's Service Plan.

Any such applications shall be submitted on application forms, as approved by the Board. The Board may advertise consideration of any such application, and may schedule a public hearing prior to taking action, in accord with District policies.

1.5 Board Procedures. In addition to provisions in the Colorado Statutes, which require that public notice be posted prior to any meeting of the Board, and provisions which require that the Board's meetings and that the District's records generally be open and available to the public, the Board of Directors has established a number of its own procedures, which include the following:

- a. BOARD MEETINGS (Regular). The Board holds a regular monthly meeting, usually on the third Monday of the month, beginning at 6:00 P.M.
- b. BOARD MEETINGS (Special). The Board may hold a special meeting, at any time, upon the request of any two Directors, or upon the request of the Manager and a District Board officer. Such meeting is to be advertised, with public notice that conforms with Colorado law.
- c. CONDUCT OF MEETINGS. The Board president chairs the meeting. Generally, the Board president does not vote, except to break a tie. If the Board president is absent, then one of the vice-presidents will chair the meeting. When there are five (5) duly elected or appointed Board members, a quorum requires that there be at least three (3) members present, in person, for a meeting to be held. The Board generally follows Roberts' Rules of Procedure for the conduct of its meetings.
 - i. The first order of business, at a regular meeting, is review and approval of the minutes from any previous meeting(s).
 - ii. The second order of business, at a regular meeting, is to provide an opportunity for public comment. If members of the public are present, they are requested to keep their comments to five (5) minutes, and may provide written statements in place of, or in addition to, any verbal presentation. The Board's policy is to take no action on public comment, at the time a matter is initially presented, unless the matter is of an "emergency" nature which, in the opinion of the Board, requires immediate consideration. The Board may refer the matter to the District's manager, or to legal counsel, for review and for preparation of materials or a report for further Board consideration.
 - iii. The third order of business, at a regular meeting, is review of the legal agenda, prepared and presented by the District's counsel. The agenda covers any negotiations, contracts, litigation or other current legal matters that involve the District. If there are matters which involve attorney-client communications (between the attorney and the District Board), or other confidential items (as defined by Colorado statutes), then the Board may convene an executive session, and exclude the public from this portion of the meeting.
 - iv. The fourth order of business, at a regular meeting, is the report/agenda of the District's manager. This portion of the meeting includes information updates to the Board on general management and operation of the District, and may include requests for Board guidance on pending issues.
 - v. Finally, before adjournment of a regular meeting, Board members have the opportunity to raise any matters of new business, or consider matters of old business.

- vi. Other matters, such as public hearings on specific matters (e.g. the District's budget), may be specifically scheduled, at a set time on the Board's meeting agenda.

1.6 District Records. The official records of the District are generally maintained in the District's offices, by the District's manager and staff, and include the following:

- Minutes of the District's meetings;
- Water rights records, for those rights owned by the District;
- Copies of Deeds to real estate owned by the District;
- Plats and maps which show District facilities and District boundaries;
- Service account and billing information;
- The District's Service Plan, including any intergovernmental agreements;
- The District's Employee Handbook;
- The District's rate structure for water and sewer services; and
- Other records of a general nature, for the operation of the District.

1.7 Communications Between/Among Board Members. Board decisions are made only by Board action in public meetings. Although individual Board members may communicate between themselves, by telephone or e-mail communication, such communications are to be solely for the purpose of sharing information, and not for discussing or attempting to resolve issues which must be addressed by the Board.

In the event that more than 2 Board members are to attend a public function, where District business may be discussed, then the meeting notice requirements of Colorado law are to be met.

1.8 Board Policies. The Board, by its actions, or by resolution, has established the following as Board policies:

- a. Land acquisition. The District may acquire land, or interests in land, for those purposes permitted to the District, pursuant to Colorado law. Generally, this means the District will acquire land for water, sewer, or recreational purposes. The Board's policy is to review the costs and benefits of any land acquisition, before completing the conveyance to the District. The Board's policy is also to require that any conveyance to the District be insured by a real estate title company, to assure that the District is acquiring "good title" to the real estate that it obtains.

- b. Land sale or conveyance. The Board may sell or convey District property only after making a determination that such property is “surplus” to the District, and that there is no current or projected need of the District that would be served by the property. The Board will make such determination that a property is “surplus” only after consideration of this issue at a public hearing, which has been specifically advertised to include this matter. This provision does not apply in the event of a “trade” of property, where the District would be obtaining needed property in return for the property that the District is to convey.
- c. District’s Service Plan. The Board has approved a “service plan” for the District, pursuant to Colorado law, which has been approved by the Routt County Commissioners, and by the Routt County District Court. The “service plan” may be amended, from time to time, by the Board, subject to approval by the County and the Court. A copy of the “service plan” is maintained in the District’s offices, and is available for public review.
- d. Water and Sewer Enterprise. The District, by Board Resolution of December 19, 1994, operates its Water and Sewer system as an “enterprise” under Colorado law. [Exhibit B]
- e. Employee policies. The Board has adopted and approved an “Employee Handbook” for the District. The handbook may be amended by approval of a majority of the Board. A copy of the handbook is maintained in the District’s offices, and is available for public review.
- f. Intergovernmental agreements. The District has entered into contractual commitments, including intergovernmental agreements with other local governments in the region. Those agreements may include matters of District policy or contractual provisions which must be met with respect to some actions that may be considered by the Board.
- g. Out of District Service Policy. The Board's policy has been to deny requests for service to areas outside the District, except where the Board has found hardship or unique circumstances.
- h. Other policies. The District has approved other policies, by resolution, which are included in the appendix to these Rules and Regulations, and which are incorporated herein, by reference.

1.9 Fees. Each director of the District shall receive a sum of \$75.00 per meeting attended, provided that the total paid to an individual director in a single year shall not exceed the limit established by Colorado Statute.

2. ETHICS AND PROCEDURES.

2.1 Agenda matters and Public comment matters. With respect to any Agenda matter, or any Public comment matter, coming before the Board of Directors for discussion or deliberation, each Board Member shall disclose potential conflicts of interest, and shall step down in accord with the following guidelines:

- a. Matters where Board Member shall step down:
 - (i) Where the Board Member discloses any direct personal (financial) interest in the pending matter.
- b. Matters where the Board Member should step down:
 - (i) Where the Board Member discloses any indirect personal interest in the pending matter (e.g., family relationship, business relationship, personal relationship with person or project).
 - (ii) Where the Board Member discloses any membership or ownership in any organization or entity which may have any direct or indirect interest in the matter, except where the Board Member is an officer or director of a homeowners' association, which shall be controlled by the provisions below.

For either item 2.1b(i) or 2.1b(ii), if the Board Member's interest is remote, the Board Member may avoid stepping down by stating on the record the nature of the Board Member's interest, and continuing to participate. The Board Member may request comment from the other Board Members, before acting under this sub-section.

2.2 Board Member is also an officer or director of a homeowners' association.

Where a Board Member is also an officer or director of a homeowners' association, located within the Steamboat II Metropolitan District, the Board Member shall disclose any Association interest in any matter pending before the District Board. Upon making such disclosure, then such Board Member shall be presumed (by virtue to that Member's responsibility to members of the homeowners' association) to have a conflict of interest, and shall step down from the matter, unless:

- a. Such Board Member presents information detailing why such Board Member's participation in consideration of a particular matter does not constitute a conflict of interest, AND
- b. All other Board Members who are considering the matter concur that there is no conflict of interest.

2.3 Conflicts of Interest. In any circumstance where a conflict of interest exists, the Board Member(s) with a conflict shall step down from consideration of the particular matter. In

“stepping down,” the Board Member(s) shall have no discussion with other Board Members about the pending matter, shall state no position publicly concerning the pending matter, and during any discussion or consideration of such pending matter shall leave the premises where the hearing, comments, or deliberations are occurring.

2.4 Violation of Rules. In the event of a violation of those rules set forth above, the Board of Directors may take appropriate action, including a private or public reprimand, or a public censure, or other sanctions that (the Board of Directors) deems appropriate.

In the event of recurring violations, the Board may request that appropriate steps be taken by the offending Board Member, to insure against further violations. Such steps may include having the Board Member resign a membership, sell the Member’s interest in a business or enterprise, resignation from a board of directors, or, in egregious circumstances, having the Board Member resign from the District Board. These sanctions are examples only, and the Board may approve and establish other sanctions, as determined to be appropriate, related to the matters under consideration.

3. GENERAL REGULATIONS.

3.1 Purposes. This text will provide the rules and regulations to govern the operations and functions of the Steamboat II Metropolitan District and to promote the health, safety and general welfare of the inhabitants of the District. These Rules and Regulations shall supplement but not limit the authority of the Board to act in any way that it is authorized by law.

3.2 Sewer System. The District sewer system provides for disposal of water contaminated by biodegradable wastes through treatment facilities of the Regional Waste Water Treatment Plant.

3.3 Water System. The District water system provides domestic water to the District consumer, in accord with guidelines established by the State of Colorado Health Department.

3.4 Parks and Recreation Facilities. The District owns and leases areas where the District provides parks and recreation facilities.

3.5 Jurisdiction and Access. The District Manager, in the performance of his/her duties as such, shall be subject only to the orders and directions of the Board of Directors, which at all time has the jurisdiction over the water system, sewer system, parks and recreation facilities and all related structures of the District to the end that the greatest good to the most people shall obtain from the maintenance and operation of said systems.

The Board of Directors and other duly authorized agents of the District shall have access to all properties within the District for the purpose of inspection, testing, measurement and sampling any sewer or water mains or any service lines, facilities and equipment. These persons shall also have access to stop cocks in order to terminate service for non-payment of service charges or tax mill levy.

3.6 Liability. The District and its agents are protected by the Colorado Governmental Immunity Act in conformance with the "Colorado Revised Statutes" Section 24-10-101, et.seq., or subsequent revisions thereof. Any claim which is to be made against the District must be filed within 180 days, in accord with the statutory requirements.

No claim for damage shall be made against the District by reason of the following: breakage of any service or main by a District employee or Contractor; failure of the water supply; curtailing or energizing water mains; making taps or construction extensions; damage caused by water running or leaking from open or defective faucets; burst service lines not owned by the District; damage to, or caused by, to water heaters, boilers or other appliances due to turning off or turning on water service, or by improper sporadic water pressure; or anything done to the water or sewer mains of the District deemed necessary by the Board or its agents. The District shall likewise be held harmless for any damages done in efforts to locate stop cocks on customer's property in order to terminate service for non-payment of service charges or tax mill levy. The District reserves the right to curtail the water supply at any time, for any reason deemed necessary and appropriate.

3.7 Damages. No person shall damage or maliciously destroy any District property or facility. In the event of such damage or destruction, the District Manager may initiate and pursue a criminal complaint through the Routt County Sheriff's Office, and shall notify the Board of such action. In addition, the Board may initiate a civil lawsuit to recover costs, expenses, damages and legal fees.

3.8 Consumer Connections Maintenance. All consumers shall keep and maintain the service pipe, stopcocks and appurtenances connecting their water supply in good repair and protected from frost at their own expense.

3.9 Permits Required. No person shall, either directly or indirectly, utilize the District facilities without first having made application therefore to the Board and without first receiving from the Board a written permit authorizing such utilization. [See Exhibit C, for Permit form.]

3.10 Definitions.

- a. "District" shall mean The Steamboat II Metropolitan District.
- b. "Board" shall mean the Board of Directors of the Steamboat II Metropolitan District.
- c. "District Manager" (or "Manager") shall be shall be the District's hired manager, or agent duly authorized by the District to enforce these Rules and Regulations.
- d. "District Water Main" shall mean any water line owned by the District and installed in a public right-of-way or utility easement.
- e. "District Sewer Main" shall mean any sewer line owned by the District and

installed in a public right-of-way or utility easement.

- f. “Consumer” shall mean the owner or registered resident [see Exhibit D; form required for billing to tenant or occupant other than owner] of the property.
- g. “Developer” shall mean the person, firm, corporation, partnership, joint venture, company or public entity which is the owner of land, who is subdividing or developing this land for resale, and seeks to have this subdivided or developed land served by the District.
- h. “Service Line” shall mean a water or sewer service line utilizing District facilities and serving specific units.

4. DISTRICT FACILITIES. (Water and Sanitation)

4.1 Facilities. Facilities shall include the sewer and water mains, water storage tanks, pump stations, lift stations, real property and interests, vaults, hydrants, water rights and water meters and any other property or equipment necessary for operation owned by the District. The District Manager shall maintain and update a list of such property and facilities, as Exhibit E, hereto.

4.2 Service Lines. The District assumes no responsibility for taps or water or sewer service lines extending from the sewer or water main to each unit or building for each Consumer. Leaks in any water or sewer service line served by the District shall be repaired by the Consumer within forty-eight (48) hours of notification or the District or its agents shall have the authority to have such defect repaired and shall bill the Consumer for the cost thereof, which cost shall be a perpetual lien against the property being served as provided by law.

4.3 Extension of Facilities. District facilities will be furnished only to persons whose property is within the District boundaries, except as specifically approved by the Board upon a finding of hardship or unique circumstances and upon approval of the City of Steamboat Springs.

4.4 Construction of Facilities. Any sewer or water mains or related facilities shall be constructed in public road rights-of-way or in utility easements or a property owned by the District.

4.5 Financing of Construction of Facilities. See District Development Procedures, Exhibit F attached hereto. Prior to extending facilities to undeveloped or partially developed lands at the request of a Developer, Developer shall pay the District’s “facilities expansion fee” See Exhibit G, for current fee. The Board may require such Developer to provide the District with a firm commitment for completion of necessary water mains and sewer mains as the Board may require, in the form of an escrow arrangement, letter of credit or similar security. Such commitment must be provided when requested before the District shall approve construction of facilities. Such commitment must be callable by the District at completion of construction in the event the Developer fails to complete such required improvements.

4.6 Conveyance of Water Rights. In connection with approval of any application by a Developer for extension of District boundaries to Developer's property, the Board may, in its discretion, require the Developer to grant and convey to the Steamboat II Metropolitan District all or a portion of the direct flow or well water rights of the Developer.

5. EXTENSIONS TO DISTRICT WATER AND SEWER FACILITIES.

5.1 Definition. Extensions to District facilities shall be defined as the extension of sewer and water lines, and any related facilities, that utilize District facilities; and are designed, constructed and paid for by any Consumer or Developer requiring such an extension of service(s) to accommodate the proposed structure(s) or proposed development. Each request for extension of facilities shall be subject to review by the Board. The request shall be accompanied by the application form as required. [Exhibit H]

5.2 Approval of Plans and Specifications. All proposed extensions to District facilities shall be reviewed by the Board and the District's Engineer. Complete plans and specifications shall be submitted to the Board following initial approval of extension to facilities by the Board. Said plans and specifications shall be reviewed by the Board, for compliance with the current manual of District Engineering Requirements ("D.E.R."), adequate fire protection and compatibility with District "Amended Service Plan" prior to final approval.

5.3 Locations of Sewer and Water Lines. All sewer and water lines shall be located in public rights-of-way and utility easements, or other property owned by the District.

5.4 Construction of Sewer and Water Lines. The construction of sewer and water lines by the Consumer or Developer shall not commence until the District's Procedure for Development Applications [Exhibit F] is met.

5.5 Dedication to District of Sewer and Water Lines. Service by the District to properties of a Developer when such Developer has constructed main water and sewer trunk lines by contract with the District shall not be made until the Developer has met the following conditions:

- a. Granted and conveyed, by warranty deed to the District, fee simple title to facilities constructed and rights-of-way therefore, necessary for maintenance.
- b. Passed required test on lines as established by the District Engineering Requirements (D.E.R.).
- c. Proven by documentation that all lines and related facilities are free and clear of liens and encumbrances.
- d. Furnished a one (1) year guarantee and a one (1) year maintenance bond covering all lines and related facilities. Said bond and guarantee shall be in effect for one (1) year from the actual date of deed acceptance by the Board.

- e. Provided that each parcel, subdivision lot, structure, or unit has either direct access or required easements to be served by said lines and related facilities.
- f. Any other requirements deemed necessary by the Board, at the time of completion.

5.6 Water and Sewer Line Sizes. The District Manager, after consultation with the District's Engineer, and notice to the District Board, shall make the final determination of all line sizes for any area served by the District. No oversizing of lines shall be accomplished without board approval.

5.7 Extensions to District Facilities Outside the District Boundary. No sewer or water lines or any related service lines utilizing District facilities shall be extended outside the District boundaries except with the written consent of the Board. Charges and fees for furnishing sewer and water service outside of the District shall be the adopted impact fee, plus 1.5 times the tap fee and 1.5 times the current service rate.

6. SERVICE LINE AND TAP-ON POLICY.

6.1 Tap Permit. No connection to District sewer or water lines shall be made prior to obtaining a tap permit and paying the required tap fees and the water meter fee. Application for the tap permit request shall be made to the District and shall be reviewed by the District Manager.

Not more than one (1) tap will be allowed under each permit. Applicant is responsible for the proper installation of the water meter. The tap fee shall be based on the tap fee schedule hereinafter described, whereas the tap permit is related to construction work in conjunction with District lines and facilities.

6.2 Service Lines. Sewer and water service lines shall be installed in accord with the D.E.R.

6.3 Inspection. All service lines shall be inspected by the District (i) prior to connection to District mains and (ii) after connection and before the work is covered. Sewer services shall be tested for leakage (exfiltration and infiltration) prior to tap-on. Water Services shall be tested for leakage after connection to District mains. All inspections shall be made in accord with the D.E.R.

6.4 Backfill. Backfill shall be properly compacted in accord with the D.E.R.

6.5 Disconnections. No disconnections of service lines from District mains shall be made without authorization from the Board.

6.6 Change in Consumer's Service. No change in the Consumer's service shall be made without the prior approval of the Board or authorized agent. Any change in service which increases the service provided by the District shall require a redetermination by the Board of the

tap fee and service charges from such Consumer. The redetermination tap fee shall allow for credit previously paid or waived tap fees. Any change that results in a decrease in the service provided by the district shall not result in a reduction or refund to tap fees or service charges.

6.7 Water Meters. All water service lines shall have a water meter installed before water is turned on. Water meters are to be installed in a horizontal position in an area that will not freeze and is accessible year round. The water meter shall have a remote readout. The remote readout shall be located adjacent to the electric meter, if possible. The maximum remote distance from the meter shall be 500 feet. All water meters and remote readouts shall be inspected by the District's representatives and sealed. The operational testing of the meter and readout shall be demonstrated at the time of inspection. The meters will be provided by the District and are supplied by the District, the cost of which is in addition to the tap fee. It shall be the builder's/contractor's responsibility to protect the meter from freezing or other physical damage during construction. After completion of construction and acceptance by the owner, it shall be the owner's responsibility to protect the meter from freezing, damage due to high water pressure because of the lack of a pressure-reducing valve, or any other physical damage.

6.8 Backflow Prevention. Backflow prevention devices are required on all facilities where required by the Colorado Department of Health and the City of Steamboat Springs, i.e. irrigation systems, hot water heating systems, pools, spas, hot tubs, etc. All such devices may be inspected by the District, at District discretion.

7. RATES AND CHARGES.

7.1 General. The charges, rates and fees for the District are set by the District's Board after published notice and at least one public hearing. For current tap fees, see Exhibit I. For other rates and charges, See Exhibit J.

7.2 Payment of Monthly Service Charges. It shall be the policy of the District to bill all service charges monthly. Any fees incurred by the District due to a customer's failure to provide "good funds" shall be charged to the customer.

If such charges are not paid within sixty (60) days of the date of billing, then the Consumer shall pay interest on any outstanding balance at the rate of 1.75% per month. The District shall have the right, at its sole discretion, to terminate water service to any Consumer who becomes three (3) months tardy in payments for water or sewer service charges to the District, after due notice to the Consumer. The District shall have the right to record a lien against the property served, and assess to any consumer who is tardy in the payment of service charges assessed all legal, court and other costs and expense necessary to the collection of said account and/or termination of said service.

7.3 Cash Deposit. The District may, in its discretion, require any Consumer to provide the district a cash deposit to assure payment of bills as the same accrue, not to exceed three (3) months payment.

7.4 Turn-on Fee. If service is discontinued at the Consumer's request, or due to delinquency of a bill, a turn-on fee of \$25.00 will be charged the Consumer for re-establishment of service. The District shall have sole power and authority to turn on services.

7.5 Perpetual Lien. Until paid, all rates, tolls, fees and charges of the District shall constitute a perpetual lien against the property being served, and subject such property to foreclosure as provided by law. Upon approval of the board, such lien may be recorded, with the signature of an authorized Board Officer.

8. WATER CONSERVATION.

8.1 Watering Restrictions. A watering restriction may be instituted at the sole discretion of the Board. Consumers will be notified prior to effective date of restriction. Penalty for non-compliance is \$25.00 for the first occurrence, double penalty for second; triple for third, etc., to be paid within ten (10) days or water service may be terminated.

8.2 Special Use Permits. Special use permits for watering of new lawns during periods of water restriction may be issued at the sole discretion of the Board.

8.3 Conservation. All new construction, starting in 1996, requires the installation of "Water Efficient Fixtures," such as low flush toilets, low flow showerheads and faucet aerators.

9. VARIANCES.

9.1 Variances. Upon written application by the owner(s) of a lot or parcel or a customer in the Steamboat II Metropolitan District, the District Board may consider, and may approve a variance to these Rules and Regulations, including the water and sewer rates set hereunder, providing that such owner(s) meets the following criteria:

- a. The variance must be of a nature that is unique to the applicant, and not a situation that is common to a number of property owners within the District;
- b. There must be a clear showing that there is a unique hardship to the applicant, which, due to principles of fairness and equity, justify a variance from the strict application of the Rules and Regulations;
- c. The hardship shown to the owner cannot be a "self-created" hardship, caused by the actions of the applicant, or a previous owner. [Adopted 8/28/03]

10. PARKS AND RECREATION

10.1 Applicability. Unless otherwise provided, this section applies to all parks, recreation areas, open spaces and trails belonging to or leased by the District, whether located within or outside of the boundaries of the District. A list of parks and recreation facilities shall be maintained and updated by the District Manager, as Exhibit E-2.

10.2 District Manager may issue rules. The District Manager may adopt rules for the management, operation and control of District parks, recreation areas, open spaces and trails and for the use and occupancy, management, control, operation, repair and maintenance of all structures and facilities they are on and all land on which they are located and operated. The Manager may adopt rules [See Exhibit K*], including without limitation for:

- a. Preservation of property, vegetation, wildlife, science, markers, buildings or other structures, and any object of scientific or historic value or interest;
- b. Restriction on or limitation of the use of any area or trail according to time, type, and days;
- c. Prohibition of conduct that may be reasonably expected to interfere substantially with the use and enjoyment of parks, recreation areas, open spaces and trails, by the general public, or, that constitutes a nuisance;
- d. Maintenance of reasonable and necessary sanitation, health and safety measures;
- e. Place, time and manner of picnicking or community events, if allowed;
- f. Place, time and manner of operating vehicles, if allowed;
- g. Control and limitation of all sports activities and designation of places where players are permitted; and
- h. Other requirements that are reasonable and necessary for the preservation and management of parks, recreation areas, open spaces and trails.

No person shall violate any rules issued by the District Manager, under this section.

10.3 Effect of Manager Rules. Any rules established by the Manager shall be effective when they are posted in at least three (3) locations within the District. A copy shall also be available to the public at the District's office.

Such Manager Rules shall be effective for a period of forty (40) days from their posting, and they shall then be void, unless approved by Resolution of the Board of Directors.

When Manager Rules have been approved by the Board, then such rules shall be enforceable as if they were part of the District's Rules and Regulations.

10.4 Vehicle regulation. No person, other than persons authorized by the District Manager, shall

- a. Fail to comply with any traffic-control device in the park, recreation area, open

* Upon approval of such Rules by the Board, the District Manager is authorized and directed to add such Rule(s) to Exhibit K.

space or trail regulating the operation of motor vehicles;

- b. Drive or park a motor vehicle or motorized bicycle, or motorized construction equipment or tractors within or upon a trail, park or open space except in designated areas for parking. This regulation shall not apply to District construction, maintenance or operations.

10.5 Snowmobiles. No person shall operate or use a snowmobile within or upon any park, recreation area, open space or trail. This regulation shall not apply to District construction, maintenance or operations.

10.6 Regulation of horses. No person shall ride or lead horses on any park or recreation area or trail, except as designated by the District Manager.

10.7 Glass bottles prohibited. No person shall carry or possess any glass bottle or other glass container in any park, recreation area, or open space or trail.

10.8 Permits for sound systems required. No person shall operate any public address system or other amplified sound system in a park, recreation area, open space or trail without first obtaining a permit from the District Manager.

10.9 Fees. The District Manager may impose fees for organized recreational uses or events, and issue permits therefore; such fees to be those which the Manager determines are reasonably necessary to recover the costs to the District, directly related to such activities.

10.10 Sale of goods on public property. No sale of goods shall be permitted on the District's recreational property, except for charitable or educational purposes, upon permit from the District Manager. Any other proposed sale of goods may only be approved by the District Board of Directors.

10.11 Alcoholic beverages. No alcoholic beverages of any kind shall be permitted on recreational properties of the District, unless a permit has been obtained from the District Manager, and all state and county regulations concerning alcohol use and consumption are complied with.

10.12 Interpretation. Any question about interpretation of this section (recreation) shall be resolved by the Board of Directors, in a public meeting.