



1202 Bergen Parkway, #215
Evergreen, CO 80439
303-526-2025

October 18, 2016

Dear Customer,

According to the Lookout Mountain Water District records, you are listed as a holder of one or more inactive taps. The District's Board of Directors has adopted a resolution containing new policies and procedures concerning inactive taps which will promote the health, safety, security and general welfare, and the orderly and uniform administration of these taps.

All inactive tap holders should be aware of these policies and procedures because they require the assignment of all taps to a parcel of land within the District's boundaries and are designed to encourage the activation of such taps. A copy of the resolution is included with this letter and is available on the District's website.

For many years, taps have been defined as either (1) "Active", which meant connected, in service and metered or (2) "Inactive". Furthermore, "Inactive" taps were defined as either (1) "Assigned" or (2) "Unassigned". In order to be "Active", a tap must be "Assigned" by definition and by process to a specific parcel of land within the District. Since assignment must be to a parcel within the District, owners who wish to assign the tap to a parcel not currently in the District must follow the process by which a parcel of land is included within the District's boundaries by court order and payment of an inclusion fee. The tap is then accounted for as assigned to a particular parcel.

Below is a summary of changes that will phase in over the next 6-20 months:

1. All Unassigned taps will need to be Assigned or they will be subject to a substantial fee.
2. All Assigned Taps will be defined as Active.
 - a. Active Taps will be defined as either Connected (metered) or Not Connected.
3. Active Taps will be subject to monthly water charges regardless of connection status.
4. Inactive Taps may be surrendered (sold) to the District, as an alternative to the above.
5. A reassignment fee is applicable if any tap is transferred from one parcel to another.

We advise that if you, or someone you know, owns a tap yet to be made Active, they should become familiar with these policies and procedures in order to determine how the policies will impact currently Inactive Taps, and so that they may take necessary action and seek legal counsel if needed. Similarly, if you or someone you know has an interest in a parcel of land within the District's boundaries, that is not yet served by the District, they should become familiar with these policies and procedures in order to take action if needed.

If you wish to purchase or sell a tap you may inform the District of the number of taps you wish to buy or sell along with your name and email address. Your information will be put on the District's web page for others to see. The District will not be involved in any third party transactions to buy or sell a tap.

Sincerely,

The Board of Directors
Lookout Mountain Water District

Enclosure

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