

POLICY AND PRICING STRUCTURE FOR LEASING WATER RIGHTS TO QUALIFIED APPLICANTS UNDER SUMMIT COUNTY'S WATER AUGMENTATION PLAN.

- I. Applicants desiring to lease water under the Augmentation Plan from Summit County shall document, according to established administrative procedures, that they meet the following conditions and are therefore "Qualified Applicants." The County may enter into a lease agreement with a Qualified Applicant if all of the following criteria are met:
 - A. Applicants own identified property in Summit County at a location where leased water rights could be used to augment the well under the Augmentation Plan and to meet the legal requirements to qualify for a valid non-exempt well permit from the State Division of Water Resources.
 - B. An existing or future well on the identified property is out of compliance with an exempt well permit or otherwise is ineligible for an exempt well permit from the State Division of Water Resources because of an existing or proposed use of water for an accessory dwelling unit, outside irrigation, and/or domestic livestock watering.
 - C. The quantity of water requested is (a) commensurate with the proposed and allowable use of water on the identified property, based on the water use assumptions set forth in the Augmentation Plan, and (b) available under the Augmentation Plan for allotment to the specific property identified. For purposes of implementing these provisions, the County will use its Augmentation Plan accounting system to determine if water is available on a case-by-case basis.
 - D. The uses to be augmented fit one or more of the following uses:
 1. Household-use-only in a single-family dwelling with an accessory dwelling unit.
 2. Domestic and sanitary use in an individual commercial business with an accessory dwelling unit.
 3. Irrigation of up to 2500 square feet of landscaping that conforms to applicable County land use code at a residence or individual commercial business (according to a rate structure designed to discourage excessive use for this purpose). The use of xeriscaping (landscaping with non-invasive, drought-tolerant species) and drip irrigation is encouraged.
 4. Outside use for watering of domestic livestock up to numbers limited by existing zoning, PUD requirements, and/or restrictive covenants associated with the identified property.

- E. The uses to be augmented are consistent with the County's existing land use approvals and zoning for the identified property.
- F. The identified property is not currently included in another augmentation plan decreed by the Division 5 Water Court. However, the County may determine, on a case-by-case basis to lease supplemental augmentation water to applicants who are included in another augmentation plan but are out of compliance with the terms of that plan solely because of an accessory dwelling unit. The lease will be limited to replacing depletions from the accessory unit.
- G. The identified property is not within the boundaries of a municipality or special district, and extension of water service from a municipality or special district cannot be obtained at a reasonable cost.
- H. The identified property is not subject to covenants or restrictions of record that are inconsistent with the operation of the well under the Augmentation Plan.
- I. Any and all objections to the applicant's proposed lease of water under the Augmentation Plan have been resolved to the satisfaction of the County. This provision is intended to address, for example, objections to the application that may be filed (according to the County's established administrative procedures) by adjacent property owners and/or by other governmental entities pursuant to the Decree in Case No. 95CW122.
- J.
 - 1. Applicants whose domestic effluent is connected to a sanitary sewer system and treated at the Farmers Korner or Iowa Hill wastewater treatment plants are eligible only for temporary lease agreements up to three (3) years. Following the expiration of the three-year period, the County may in its discretion renew the lease. However, if the lease is not renewed, the applicant must obtain an alternate source of augmentation water or conform its use to the terms of the exempt well permit. The County may in its discretion issue longer term leases on a case-by-case basis where needed to mitigate environmental damage from failing septic systems that cannot be replaced at reasonable cost.
 - 2. Applicants and existing lessees whose domestic effluent is connected to a sanitary sewer system and treated at the McDill Placer, Valley of the Blue, South Blue or Blue River wastewater treatment plants are eligible to receive augmentation water under the standard lease agreements only so long as their effluent is treated at those plants or substitute facilities located at or upstream of the confluence of Spruce Creek.

3. If existing lessees whose domestic effluent is connected to a septic tank/leach field system subsequently connect to a sanitary sewer system and the effluent is treated at the Farmers Korner or Iowa Hill wastewater treatment plants, the term of the lease will be converted to a three-year temporary contract as provided in Section III, subject to the discretionary exception for mitigation of environmental damage.
- II. Pricing and rate structures designed, in part, to discourage excessive irrigation and other highly consumptive uses will be applied to each water lease agreement as outlined in Exhibit A.
- III. The Board of County Commissioners authorizes the County Manager to sign water lease agreements for Qualified Applicants in the form to be approved by the Board.
- IV. Failure on the part of the holder of a signed lease agreement to pay the annual administrative fee by the deadline documented in the lease agreement will result in the County's termination of the lease. The County may notify all interested parties of the termination, including, but not limited to, the State Division of Water Resources, and may record a notice of such termination in the Office of the Summit County Clerk and Recorder.
- V. The listing of the specific uses in this policy reflect the County's current priorities for uses to be served under its Augmentation Plan, and is not intended to limit the County's operation of its Augmentation Plan for other purposes under the Augmentation Plan Decree. The County reserves the right to enter into other lease agreements to allow water users in Summit County to operate under the Augmentation Plan. Applications that do not meet the foregoing criteria but that otherwise comply with the decreed Augmentation Plan and applicable statutes and regulations will require specific approval of the Board of County Commissioners.