SEWER SERVICE AGREEMENT

THIS AGREEMENT, made and entered into this 15th day of August, 1983, by and between the CITY OF LITTLETON, COLORADO, a Home Rule City, hereinafter referred to as "City", and the PLATTE CANYON WATER AND SANITATION DISTRICT, Arapahoe and Jefferson Counties, Colo., a quasi-municipal corporation of the State of Colorado, hereinafter referred to as "District".

WITNESSETH:

THAT, WHEREAS, the City and the City of Englewood, Colorado, now own, maintain, and operate a regional sewage disposal plant capable of treating the sanitary sewage generated by the District and currently providing sanitary sewer service to the District by contract dated February 2, 1971; that said contract is valid and binding upon the parties hereto; and

WHEREAS, the passage of time and changes of conditions dictate the mutuality of benefit in voiding the existing contract and executing a new contract which recognizes the said change of conditions; and

WHEREAS, it is the desire of the parties to enter into a sanitary sewer service contract incorporating therein all matters of agreement between them whereby the City agrees to receive and to process and dispose of the sewage from the District's sanitary sewer collection system into the disposal system of the City.

NOW, THEREFORE, in consideration of their mutual covenants, the performance of terms and conditions hereinafter set forth, the sewage treatment facility expansion to be undertaken by the Cities, and further good and valuable consideration, the sufficiency of which is conclusively presumed adequate by the parties hereto by the execution of this Agreement, it is mutually agreed as follows:

I.

AUTHORITY TO CONTRACT

1.1 This Agreement is made in conformity with and pursuant to the provisions of the Charter of the City of Littleton, adopted at General City Election of July 28, 1959, which controls the sale of sanitary sewer services outside the City.

1.2 This contract pertains to the use of the regional sewage disposal plant owned by the City and also by the City of Englewood, Colorado, by persons and property located outside the City Limits of said cities, but within the present boundaries of the District, and provides a service area for anticipated future sanitary sewer service by the District upon enlargement of the District's geographical boundaries.

1.3 This contract is made by the District in accordance with powers granted to it by the statutes of the State of Colorado.

1.4 Specifically, this contract is in the public interest and in the furtherance of the protection of the public health and safety of the Littleton community and is being executed and performance covenanted between the City and the District pursuant to and in conformity with Artice XIV, Section 18 of the Constitution of the State of Colorado and 1973, C.R.S. 29-1-201 (Intergovernmental Relations - Cooperative Contracts), and the achievement of said purpose or purposes is to be liberally construed.

1.5 Each party hereto covenants, avers and currently agrees that the other party hereto is not a public utility as defined by 1973, C.R.S. 40-1-103, et seq., and that the execution and performance hereof does not alter or change said negative covenant, averment and agreement of the parties. This undertaking and the performance by the parties hereto of the covenants herein contained are to be construed in furtherance of local governments effectively using, in the most

efficient manner, their powers and responsiblity by cooperative agreement as defined by Article XIV, Section 18 of the Colorado Constitution and 1973, C.R.S. 29-1-201, et seq.

II.

POINT OF CONNECTION

2.1. The District will connect its main sanitary sewer trunk line(s) from within the District at the following designated point(s):

City of Littleton's Manhole No. 13 at Santa Fe Drive, approximately 650 feet south of West Crestline Avenue;

and as shown on "as built" drawings in possession of the City and the District or at such other agreed points of connection.

2.2. The sewage to be delivered by the District to said point of connection shall be sewage with a 5-day B.O.D. strength of less than 300 Mg. per liter. Excessive amounts of water caused by infiltration of water into the sewer lines of the District, or resulting from any other causes, shall not be permitted. (Excessive infiltration shall be the standard set forth by the State Department of Health or shall not be greater than 200 gallons per 24-hour day per inch of diameter of pipe per mile, whichever is more restrictive. Drainage from storm sewers, French drains or other similar structures shall not be introduced into the sanitary sewer lines of the District or of the City by the District. The City standards, ordinances and regulations including, but not limited to, City ordinances relating to the pretreatment of industrial sewage (as the term "industrial sewage" is defined in said ordinances), shall be applicable to the District and its users and to the City and its users on a uniform basis, without preference. The District shall be notified in advance of any amendment or updating of said standards, ordinances or regulations in order that the District may offer such comment as it desires prior to such amendment or update being effected.

III.

INFILTRATION STANDARDS, NOTICE, CHARGE

3.1. The flow rates and infiltration in lines of the District shall not exceed accepted engineering practice and usage. General City guidelines relative to acceptable infiltration in new construction based upon the current state of the art shall be as follows: Infiltration shall not exceed standards set by the State Department of Health or 200 gallons per 24-hour day per inch of diameter per mile whichever standard is more restrictive. It is understood by the parties to this contract that City standards may change and become more stringent with the passage of time, and shall be applicable to the parties hereto and to all District contractees and users. The City and District shall be bound equally by any standards, regulations or modifications thereof.

3.2. It is agreed that if the infiltration into the sanitary sewer lines of the District exceeds the standards as set forth in Articles II and III above, the City shall give the District notice in writing directed to the address as hereinafter shown. In the event that the District has not proceeded with corrective work within ninety (90) days from the date of said notice, the City shall have the prerogative of surcharging the District for the infiltration occurring in excess of that allowed pursuant to the standard set forth in Section 3.1 above, said surcharge to be determined by converting said excess infiltration to single family equivalents and then multiplying the resulting number of single family equivalents by the then current sewer service charges in effect and provided that said surcharge shall continue until corrective work has been successfully completed. When so charged, the District shall make payment within sixty (60) days from the date of

billing. In addition to the above remedy, in the event the District has not proceeded with said curative work within ninety (90) days from the date of said notice, the City may, at its discretion, perform or have performed on the lines of the District necessary work to eliminate or restrict the infiltration, and in such case, the City shall bill the District for the cost of the said work so performed, and the District shall make payment within sixty (60) days from the date of Billing. In the event the City must resort to legal action and prevail against the District to collect said amount, the District shall also be liable for the City's attorney's fees and costs associated with said legal action, together with interest on said amount calculated at the rate of one (1%) per cent per month on the unpaid balance from the date of Billing.

Excessive infiltration from District or City mains is to be governed by the above criteria and penalties.

IV.

ACCEPTANCE AND TREATMENT

4.1 Subject to the conditions set forth below, the City shall accept sewage from the District for transportation and treatment at the point(s) of connection referred to in paragraph 2.1 above, and shall transport and treat, or cause to be treated, and shall dispose, or cause to be disposed of, all sewage that may be delivered to it by the District from the collection and transmission sewer lines of the District in accordance with the terms of this Agreement.

4.2 Other provisions of this contract notwithstanding, this contract shall, at all times, be subject to the requirements of Section 110 of the Charter of the City of Littleton. Both parties to this Agreement recognize that sewer service to the Littleton area is dependent upon natural forces and technological limitations which may be beyond the control of the City. No liability shall attach to the City hereunder on account of any failure to adequately anticipate the availability of sewer service or because of an actual sewer service failure due to an occurrence beyond the reasonable control of the City. The City agrees to provide adequate facilities to the sewer service users

within this District based upon historical experience insofar as reasonably possible, and further, that it will exercise its best efforts to provide for the future sewer service needs of the District and the City. The City agrees that it will not obligate itself for furnishing a greater amount of service than it can reasonably foresee will be available, and accordingly, will periodically evaluate present and future capacity requirements of the City and the Districts that contract with the City for sewer service in order to adequately plan for and meet such requirements, and further, to advise said Districts of any plans for meeting future capacity requirements in a timely manner so as to allow the Districts adequate time to comment on said plans. If conditions develop such that it becomes apparent to the City that all areas outside Littleton for which sewer service has been committed cannot be supplied adequately pursuant to this and similar contracts, the City reserves the right, in order to protect the existing sewer service users, to discontinue or to allocate the granting of further taps hereunder; provided, however, that the City shall be obligated to exercise this right for discontinuance or allocation both within the City and the District as to inside or outside City sewer taps in a fair and equitable manner in accordance with Section 110 of the Charter of the City of Littleton and the concept that the sewage treatment facility is regional in nature.

V.

ENGINEERING AND INSPECTION

5.1 The District, so far as possible, will locate the sewer collection lines of the District in dedicated roadways and shall furnish to the City's Director of Public Services for his approval prior to construction, detailed plans and specifications for all sewer collection lines and laterals or other lines to be constructed and installed by the District. If the State Board of Health so elects, it shall also have the right to approve such plans before construction commences. Said approval of the City's Director of Public Services shall be in writing, and shall be so indicated on the working drawings. Such plans and specifications shall meet the criteria of the

City Engineer's office, applicable to all parties hereto. The City shall be advised at least 24 hours in advance of the start of any construction and after completion of the above requirements.

5.2 All sanitary sewer system construction undertaken by the District may be inspected by the City. All construction of sewer facilities within the District shall be under the control of the District's engineer. The standard costs of testing, inspection and supervision of the construction shall be borne by the District, or the person, firm, or corporation responsible for the installation or extension of any main sewer lines or laterals, and all applicable standards for the protection of public health and public safety shall be met. The District shall notify the City of need for inspection of new construction, and City shall inspect within 24 hours of such notification or shall be deemed to have waived the right to inspect the new construction. Extensions of mains shall be constructed in all cases to a point 15 feet beyond the nearest property line of the last dwelling site to be served. All inspection fees of said construction by the City of sewer laterals, mains, or extensions thereof (excluding service lines) shall be paid on the basis of fees determined by ordinance of the City and being applicable to all similar inspections.

It is the obligation of the District to inspect all construction and to accomplish same substantially in accordance with the plans and specifications of the City.

5.3 The District shall file a reproducible copy of sewer line construction plans with the City's Director of Public Services showing the "as constructed" locations of all lateral and main sewer lines, manholes and other appurtenances within thirty (30) days after acceptance of said sewer lines or facilities by the District.

5.4 The District shall file annually with the City's Director of Public Services a current map of its boundaries.

VI.

RULES AND REGULATIONS

6.1 All connections made to the sewer lines of the District, and use thereof, shall be made in full compliance with the rules and regulations and ordinances now in force or hereafter enacted by the City of Littleton controlling the use of, the discharge of wastes into, and connections of private sewers with the main or lateral sanitary sewer lines of the City; and said sewer connections and the use of said lines shall be in full compliance with rules and regulations of the District, the State Board of Public Health and the applicable codes and ordinances of the City of Littleton, which rules and regulations will be equally enforced by the City and District.

6.2 The rules, regulations and standards of construction of the District shall be at least as stringent as those of the City.

VII.

LINE SIZE

7.1 The sizes of sewer lines and mains to be installed by the District shall be as required by the District. If the City requires the District, or any customer of the District extending a sewer line in the District, to install the line of greater capacity than is reasonably necessary to serve the District, the City shall bear such portion of the additional cost of said larger sewer line. The opinion of the City's Director of Public Services, based on accepted engineering practice and usage in the industry, as to line size required, shall be final and binding on both parties.

VIII.

REQUIREMENT TO CONNECT

8.1 The City may require the District, for health and sanitary purposes, upon twenty (20) days' written notice directed to the District, to exercise its statutory authority (C.R.S. 1973, as amended, 32-1-1006) to compel the owners of inhabited property within said District to connect their property with the sewer system of the District, and upon a failure so to connect within twenty (20) days after written notice by

the District so to do, the District may cause such connection to be made; provided, however, such owners shall not be compelled to install more than four hundred (400) feet of sewer pipe to the owner's dwelling place.

IX.

EASEMENTS

9.1 The City of Littleton agrees to grant and convey, without charge, such necessary and City-approved rights-of-way and easements through, over and across any streets, roads or alleys or other property owned or controlled by the City, for the use of the District, in installing, connecting and laying sanitary sewer facilities within the described service area of the District, with the right of ingress, egress, and regress for the purpose of installing, repairing, enlarging and replacing the said facilities upon such terms and conditions (other than charges for said rights) as the City shall deem necessary; provided, however, that the said District shall so locate its sewer and lateral transmission lines in a location approved by the City's Director of Public Services and pursuant to his approval. In the event it is necessary for the District to make cuts into existing streets, the District agrees to comply with the ordinances and regulations of the City of Littleton as then existing controlling such street cuts, pavement replacement and similar activities. The City shall provide to the District documentation for said easements as necessary.

X.

TAP CHARGES

10.1 For the right and privilege of connecting a sewer service line to the lines or the mains of the District which ultimately transmit to the City of Littleton, and before said connection shall be made, a permit shall be obtained from the City. If Option I, specified in Section 11.2 herein, has been selected, the owner of the property desiring to connect said property shall obtain the permit. If Option 2, specified in Section 11.3 herein, has been selected, the District shall obtain the aforesaid permit for the owner. No permit shall be issued by the City in absence of either an appropriately executed permit for said connection from the District and a

building permit issued by the appropriate local government having jurisdiction over construction on the property requesting connection. The applicant shall pay to the City the sewage connection charge (tap fee) therefor as fixed by ordinance of the City of Littleton, or any amendment or change therein as may be hereafter enacted and which is applicable to all other similar sewer connections outside of the City limits of the City of Littleton.

This Agreement is being executed after extended negotiations by the City and the District. Said negotiations recognize the investment of the City and the District in regard to capital contribution and the regional concept of the sewage treatment facility. It is the agreement of the parties that a minimal differential of tap fees or service charges within the City with those of users outside of the City is the ultimate objective of the parties.

10.2 Passage of time may require an adjustment in the sewer tap fees to be charged by the City.

XI.

SERVICE CHARGE

11.1 The City shall charge and receive a periodic fee for sanitary sewer services furnished to the District or its users. Said charge or fee shall be as adjusted, amended or changed, by City ordinance, from time to time as necessary. The method if effectuating the charge and payment of said fee shall generally be according to one of the options as specified in paragraphs 11.2 or 11.3, herein, as requested by the District and agreed to by the City, said option to be selected at the time of execution of this agreement and appropriately noted as hereafter provided on the signature page. The City shall have the power to enforce collection of unpaid sanitary sewer charges of any of the users connected to the District's lines as the City may so determine.

11.2 Option I. The City shall bill all District users directly and all such users shall pay said charges directly to the City.

11.3 Option II. The District will pay, within thirty (30) days of Billing by the City, for all sanitary sewer services furnished to the District's users by the City at current charges, less 2½% thereof, which may be retained by the District for reimbursement of the cost of collection. The City shall have no direct responsibility for collection of bills from the sewer service users in the District service area. The District shall have the right to charge its various users an additional service charge as it shall determine.

11.4 In the event Option I, as defined under paragraph 11.2 hereof, is employed for the collection of sewer service charges, failure of the users located within the District service area to pay to the City the sewer service charges shall in no way be considered a default by the District of this contract; however, the District shall exert its best efforts to bring about payment of such charges, and in the event the District does not cooperate, this may be considered a default in the terms of this contract.

11.5 In the event Option II, as defined under paragraph 11.3 hereof, is selected for the collection of sewer service charges, failure of the District to pay the City sewer service charges incurred by the District due to the provision of sewer service charges to users located within the District sewer service area, shall be considered a default by the District of this contract.

11.6 Notwithstanding any provision of this article to the contrary, the passage of time, funding requirements or changed conditions may mandate that a different method of the charging and collection of sewer service charges be utilized. In such cases, the City shall seek the input of the District as to any concerns, suggestions or desires it may have as to proposed

changes in methods of charging and collection of sewer service charges, prior to any such change being effectuated. Any such change, after the date upon which this agreement becomes effective, may be accomplished either by City ordinance or by mutual agreement of the City and the District. Such change, which by way of example and not of limitation, may involve the application of a method of metering the total sewer service requirement of the District and shall be done only in a manner which will provide that ample and adequate time be allowed for both the City and the District to accomplish said change and related changes in billing and administrative procedure and policies as necessary. In any case, if the District has selected payment Option 2, as specified in Section 11.3 above, there shall be no change in the method of billing and payment, although the amounts so billed and paid may change.

11.7 While the passage of time may require adjustments in the sewer service charges or fees of the City to the District, or of the City to the users within the District,any such adjustments for sewer service charges by the City shall be applied uniformly to all districts being served by the City.

11.8 It is agreed that should the City annex any lands within the District, that sewer service charges imposed by the City for said annexed lands shall be at the same rate as would be charged all other City residents, provided, however, that the District shall not be prohibited from surcharging such lands for expenses such as administration, line maintenance and debt service, etc., associated with District lines which may continue to be used for the purpose of sewage transmission from such annexed lands, as may be allowed by law.

XII.

SERVICE AREA

12.1 The District's sewer service area shall encompass the real property described in Exhibit "A", which is attached hereto and incorporated herein by this reference.

12.2 The District proposes the service area as described in Exhibit "A", in order to provide for proper growth and development. All of the District's sewer outfalls which have

been and which are now being constructed within the area are designed to provide "drainage basin capabilities".

12.3 For planning purposes only, the above-described sewer service area shall not exceed 10,000 single family, or equivalent, sanitary sewer taps when fully developed. The District estimates new sewer tap requirements through the year 1999 at the approximate rate of 75 additional sanitary sewer, or equivalent sewer taps, per calendar year. It is agreed that the District shall not be required to actually acquire all of the taps so estimated.

12.4 The District's service area may from time to time be reduced by exclusion of land now within the District, or enlarged by inclusion of additional properties. The City shall not be required to provide sanitary sewer services for any such additional properties unless the inclusion of such properties in the District has been approved by City Council; and after due consideration to the requirements of Section 110 of the Littleton City Charter. Exclusion of properties from the District for which the City provides sanitary sewer services shall not be permitted, except if agreed to in writing signed by the President of City Council.

12.5 During the term of this agreement, neither the District nor any properties within the District shall be provided with sewage treatment services by any sewage treatment facility other than that facility owned and operated by the Cities of Littleton and Englewood, unless the provision of such services has been agreed to in advance and in writing by the City or the City is unable to serve the District.

XIII.

POLICING OF LINES AND TAPS

13.1 The District agrees to police any and all of its sanitary sewer collection facilities in order to detect and prevent any unauthorized connections thereto. Further, the District agrees upon detection, to cause to be disconnected any unauthorized sewer taps, the owners of which upon demand refuse to fulfill the requirements for an unauthorized tap.

13.2 The City may, if it so desires, at its own expense,

police and inspect the District's sanitary sewer facilities, and if it so discovers any unauthorized sanitary sewer taps located within the District, the District agrees, upon proper notification from the City, to forthwith effect a disconnection of said unauthorized tap or taps if the owners of which, upon demand, refuse to fulfill the requirements for an unauthorized tap. If it is determined that there are unauthorized sanitary sewer taps located within the District, then twice the applicable tap fee existing at the time of the discovery of any such taps shall be paid as liquidated damages. Further, all past uncollected service charges at the current rate shall also be paid.

13.3. In the event an unauthorized tap is discovered by either the District or the City, the City and the District shall cooperate and take all actions necessary to collect all tap fees, service charges and penalties set forth herein. In the event the making of the unauthorized tap or the failure to discover the same is as a result of the District's negligence, the District shall pay to the City all tap fees, service charges, and penalties as specified herein, and it shall then be incumbent on the District to achieve repaying of said amount from its user as it shall deem appropriate.

XIV.

CONTINUAL SERVICE

14.1. Subject to the requirements of Section 110 of the Littleton City Charter and Article IV above, the City agrees to use every reasonable means to furnish a continual sanitary sewer service to the District.

XV.

CONTRACT NOT ASSIGNABLE

15.1. The District shall have no right to assign this contract or any of its rights under the same unless the City shall have assented to such assignment with the same formality as employed in the execution of this contract, which assent by the City shall not be unreasonably withheld.

15.2. The City shall have the right to assign its rights and obligations under this contract to a Regional Service Authority or other similar entity.

XVI.

TERM

16.1 The parties hereto agree that this contract will continue until terminated by a mutual agreement of the parties hereto. The parties recognize that the City is continually involved in studying its plant and intends to make and will in the future be making additional sizeable capital improvements at its expense. Bonds are currently outstanding, and it is anticipated that the new bonds may be issued by the City to finance improvements to and expansion of the sewer treatment facility, and it is, therefore, specifically and clearly understood between the parties that this contract shall be irrevocable during the time that the original bonds are outstanding.

XVII.

MODIFICATION

17.1 The benefits and obligations created by this contract may not be modified by an agreement, unless the same be in writing and executed with the same formality as this contract; provided, however, that in the event a sewer service contract is hereafter entered into between the City and another quasi-municipal sanitation district or water and sanitation district on any terms or conditions more favorable to such sanitation district or water and sanitation district than those set forth in this Agreement, it shall be the duty of the City to offer such more favorable terms and conditions to the District.

XVIII.

CAPITAL IMPROVEMENTS

18.1 That in the event capital improvements and modifications of the District's sewer facilities are required and which modified facilities provide, or will provide, sewer services to the City, the District agrees, except in emergency situations, to advise the City six (6) months in advance of proposed capital improvements in order that the City may become a party to such plans and modification program. It is the purpose of the foregoing to accommodate financial planning and the budget process.

18.2 That at some time in the future, should the Colorado Department of Public Health, or the state of the art of sani-

tary sewage treatment require the chlorination of sewage in outfall sewer collection mains, the District agrees after six (6) months' notice of these requirements, to work with the City in developing such chlorination facilities in order to meet State Health Standards.

XIX.

NOTICES

19.1 Any and all notices contemplated or required by the contract shall be directed to the parties thereto as follows:

City of Littleton
City Manager, Littleton Center
2255 West Berry
Littleton, Colorado 80165

District:

Platte Canyon Water & Sanitation District
7677 West Ken Caryl Road
Littleton, Colorado 80123

19.2 Changes in the above designation of address shall become effective upon notification by party changing address to the other party directed via certified mail, postage prepaid, to the address above indicated. Thereafter, the address for notification shall be as set forth in the notice of changes.

XX.

EXISTING SANITARY SEWER SERVICE AGREEMENTS

20.1 Upon execution of this Agreement, the contract dated February 2, 1971 shall be terminated and superseded. (See Exhibit "A," subparagraph 6, regarding sewage lift station understanding.)

20.2 There also exists another sewer service agreement(s) between the City and the District as follows:

NONE

20.3 The effect of this Agreement on those previous agreements listed in paragraph 20.2 is as follows:

N/A

20.4. There exists an agreement(s) between the District and another district(s) which utilizes the City's sewage treatment facilities as follows:

(See Exhibit "A" attached hereto and made a part hereof.)

20.5. The effect of this Agreement, if any, to those agreements listed in paragraph 20.4 is as follows:
All of the above listed contracts have been previously ratified, confirmed and approved by the City of Littleton; and, accordingly, this Agreement should have no effect on said contracts, other than continued service pursuant to said agreements in conformity with the terms and conditions hereof.

IN WITNESS WHEREOF, the parties to this Agreement have caused their corporate names to be hereunto subscribed by their proper corporate officers and their corporate seals hereunto affixed on the day and year first above written, for the uses and purposes as hereinabove set forth.

ATTEST:

Sandra L. Kay
City Clerk (Deputy)

(S E A L)

CITY OF LITTLETON, COLORADO

By: James D. Collins
President of City Council

APPROVED AS TO FORM:

Larry W. Bathurst
City Attorney

ATTEST:

Kenneth D. Bradford Sec.
KENNETH D. BRADFORD, Secretary

PLATTE CANYON WATER AND SANITATION DISTRICT, Arapahoe and Jefferson Counties, Colorado,

By: Jack C. Dice
JACK C. DICE, President

ARTICLE XI - SEWER SERVICE CHARGE OPTION SELECTED:

OPTION 1

EXHIBIT "A"

(Attached to and made a part of Sewer Service Agreement between the City of Littleton and the Platte Canyon Water and Sanitation District dated the 15th day of August, 1983.)

20.4. 1. Bow-Mar Water and Sanitation District - Platte Canyon Water and Sanitation District Sewer Service Agreement dated August 21, 1961.

2. Bow-Mar Water and Sanitation District - Platte Canyon Water and Sanitation District Reinstatement and Amendment Agreement dated May 19, 1964.

3. Grant Water and Sanitation District - Platte Canyon Water and Sanitation District Agreement dated February 25, 1975.

4. Southwest Metropolitan Water and Sanitation District - Platte Canyon Water and Sanitation District Sewer Agreement dated April 10, 1962.

5. Acknowledgment of Consent to Platte Canyon Water and Sanitation District from Southwest Metropolitan Water and Sanitation District dated April 23, 1981.

6. Additionally, the City of Littleton, by Agreement with the Platte Canyon Water and Sanitation District dated February 2, 1971, has the privilege of using for transportation of sewage within the City the Platte Canyon District's sewage lift station located near Berry Street and the South Platte River for transportation into the existing transmission facilities of the City on the east side of the Platte River.

The within privilege is limited at the discretion of Platte Canyon in regard to capacity of transmission mains and the sewage pumping facility.

The City shall participate in the District's costs and expenses of maintaining, operating, repairing and replacing said sewage lift station, including all of its integral parts, pumps, motors and electrial equipment. The District and the City will cooperate in the maintenance and modification of said facility as they have over the past 20 years, and the ownership of said facility is with the District.

Participation shall be on the basis of the actual number of sewage taps connected by the City and by the District using said facilities. The District shall bill the City for such participation on a quarterly basis, and the District's records of all costs and expenses in regard to the said sewage lift station may be inspected by representatives of the City upon reasonable notice.

Excessive infiltration into the sewer lines of the City using this facility shall be rectified upon reasonable notice by the District. Excessive infiltration from City mains may be the cause for refusing additional sewage taps to be connected from property located within the City.