OWNERS'ASSOCIATION OF ELK MEADOWS ESTATES, INC.

Water Restriction Plan and Policy

The purpose of this plan and policy is to provide for conservation and protection of the Elk Meadows Spring and Wells (2) water sources during dry or drought conditions.

This Policy is in compliance with Colorado Revised Statute §38-33.3-209.5, and the Articles of Incorporation, and Bylaws of the Association.

Historical Information on our Water Resources

Elk Meadows has a unique and special water source. Our primary source is a spring, this spring is fed by natural water precipitation each year. In normal years its output flow averages 20,000-22,000 gallons per day. This flow is pretty consistent. In years when there is less precipitation accumulated then this flow can be lower. It can be affected by other naturally occurring factors as well. In addition to the spring, we have 2 wells as supplementary sourcing of our water. These wells are fed by natural ground water aguifers and so their re-supply is much slower than rain or snow fall/melt. In order to charge our wells, water must first make the slow journey from the ground through the soil and rock into the catchment. This process can take years. Any consistent overuse of the wells can cause the well levels to drop rapidly and permanently. Our wells should therefore be considered an emergency resource.

Our Spring is our primary source for water, the wells are supplementary in the event the spring output decreases significantly or all together runs dry temporarily or even permanently.

Historically, the Spring can support the community even though our community has grown from vacation homes for a few weeks a year to a thriving year round community. There have been times when the spring has had decreased flow due to drought or drought like conditions, most recently in 2002 and 2012. In those instances the community has self-imposed water restrictions to reduce the burden to the spring. The wells have supplemented

during those times, but due to the self-imposed restrictions the wells did not see unrecoverable usage. In 2018 we have more year round residents than ever before, and many of our owners have their homes on a short term vacation rental listing as well. So we have the highest usage of water in July 2018 than in recorded Elk Meadows history. In conjunction with that we have had a significant lack of snow and rain for the 2017/2018 precipitation seasons. Our spring has not been fed by sufficient snowmelt and rainfall.

This has led to our community using the most water per day. Our average usage at this highest population density is 18,500 gallons/day in June. Our wells began to supplement the spring in order to keep up with demand.

Since 2010 when the new water system was completed, the owners have been given a generous allowance of 7000 gallons per month per household. Data shows that the majority of owners use approximately 4000 gallons per month. There are some exceptions every month and some are due to leaks which are the homeowners' responsibility to fix. Each month any owner using more than the 7000 allowance is notified and charged \$2/1000 gallons over the allowance. This system is generous and not overly costly to the owner.

There is also no incentive to reduce usage at these allowances and overage rates.

This is why when conditions reduce the flow of our spring and can over tax the wells the Board is responsible for good stewardship of our unique natural resource. This is the impetus for the creation and implementation of this Water Restriction Plan and Policy.

The Plan

This plan is meant to implement a policy of temporary restrictions on water usage in Elk Meadows in order to reduce the demand on our spring and reduce the potential for long term harm to the wells and incur the possibility for running out of water.

There are triggers built into the plan in order to enact the Restrictions.

There are benchmarks for removing the restrictions.

The Policy

In order to implement the Water Restriction Plan and

Policy the following must occur as a single or combination of factors:

- The usage by the community must match or exceed the springs outflow. This outflow is monitored monthly and may fluctuate from year to year depending on natural conditions that feed the spring.
- County/State actions or recommendations and mandates.
- The current number of residents must be taken into account as this figure also fluctuates during the year with short term renters and visiting owners.
- Needs of the infrastructure system (Sewer/Water) to maintain normal system function and prevent system damage.

In order to remove the restrictions:

 Demand must fall below supply by 3000 gallons/day and natural precipitation must have replenished the spring. This means this restriction could be in place for months or years. Removal of restrictions means reverting back to the 7000 gallon/month per household and the \$2/1000 gallon overage fee, unless or until the Association changes the allowance and/or overage fees.

The Restrictions:

A tiered structure has been calculated to maintain a predetermined healthy balance of flow versus use. The target is to maintain 70% use of the available flow. This will prevent over consumption of the spring and drawing down on the supplemental wells too quickly affecting long term well recovery. This percentage allows for some flexibility in the reaction time and day to day fluctuations to be averaged for a month.

During dry or drought conditions it will be possible to move up and down the tiers as necessary based on the outflow of the spring and rain/snow conditions contribute.

Level 1: This is a minimal level designed to be an "alert" to the community to be

mindful of their usage.

7000 gallons per month per lot allowance with 10 cents per gallon over 7000.

Level 2: 6000 gallons per month per lot allowance with 10

cents per gallon over 6000.

Level 3: 5000 gallons per month per lot allowance with 10 cents per gallon over 5000.

Level 4: 3000 gallons per month per lot allowance with 10 cents per gallon over 3000.

Level 5: Rationing: Under 3000 gallons per month per lot allowance with firm shut off.

This is an extreme condition in which the water will be rationed and once the

allowance has been reached by each owner the owners tap will be shut and

locked. The owner would be responsible for sourcing their own water until the

next calendar month.

Before implementing the Water Restriction Plan and Policy the BOD

- Will accumulate supporting data and will notify the community of the enactment of the Restrictions.
- Notice should be given 7-10 days before the restrictions are in place and enforceable. Notification may take place via USPS or electronic means.
- The BOD will continue to have the spring and wells monitored and provide updates to the community. If/When the restrictions are removed notice will go out to the community of same.

The Board shall review this Policy annually. The Board may amend this Policy when such modification is deemed to be in the best interests of the Association.

The undersigned, being President of the Owners' Association of Elk Meadows Estates, Inc., certifies that the foregoing Reserve Policy was adopted by the Board of Directors of the Association at a duly called special meeting of the Board on September 20, 2018, and in witness thereof the undersigned has subscribed his/her name.

Owners Association of Elk Meadows Estates, Inc.

By:_____(Signature on file)_____ Belinda KM Chisholm, President This policy has been reviewed by the Board of Directors (no amendments necessary), per above, February 26, 2023. Board signatures on file