

## **Water Usage Policy Letter**

This letter is to make everyone aware of their obligations under state law for water usage on their properties and what steps the Owners' Association is taking to ensure compliance with state law and the Covenants that cover all our lots. The policies, procedures and penalties described below have been adopted by the Jackson Ranch Owners Association (JROA) Board of Directors.

Water usage limits for each well are restricted by state law and are specified in multiple recorded documents that bind each lot, including our deeded water rights, the state Water Decree and Augmentation Plan, all of which you received at your closing. These limits are summarized in the JROA Covenants, Section 6.03 a):

“The use of the ground water rights by each Owner is restricted and regulated by the terms and conditions of the Augmentation Plan, including, without limitation, that each Lot Owner is subject to the maximum annual well pumping limitations under the Augmentation Plan of 0.75 acre-feet per year for in-house use for one single-family residence (0.4 acre-feet), irrigation (0.3 acre-feet/limited to irrigation of 5,000 square-feet of home lawn and garden) and use in a water feature (0.05 acre-feet).”

The enforcement obligations and powers of the Association are also summarized in the Covenants, Section 6.03 a):

“The Association was formed for the purpose, among others, of carrying out the provisions of the Augmentation Plan and thus shall administer and enforce the Augmentation Plan. Such administration shall include, without limitation, accountings to the Colorado Division of Water Resources under the Augmentation Plan and taking all necessary and required actions under the Augmentation Plan to protect and preserve the ground water rights for all Lot Owners. The Association shall have the right to specifically enforce by injunction, if necessary, the Augmentation Plan against any Lot Owner failing to comply Jackson Ranch Declaration of Covenants Page24 with the Owner's obligations under the Augmentation Plan, including the enforcement of the terms and conditions of well permits issued pursuant to the Augmentation Plan.”

Failure of the Association or any Owner to comply with these water use restrictions can result in serious penalties, including the loss of water pumping rights. Penalties could be imposed on the Association and all the Owners should the state choose to do so.

For the Association to comply with its enforcement obligations and to protect the Owners from actions that might be taken by the state, the following shall apply:

1. Each Lot Owner with a well must report their water meter readings to the Association annually in January. This may be done by email with a photo.

If the water meter readings are not reported by January 31<sup>st</sup>, the Owner will incur a fine of \$10 per day until the readings are submitted and received by the JROA.

2. If the water meter readings provided to the Association indicate that an Owner has exceeded the water usage limits for the prior year, upon notice from the Association to the Owner, the Owner will identify the steps the Owner will take to reduce their water usage so they will comply with the water use restrictions for the current year.

If the compliance steps are not submitted to the Association within 30 days of notice from the Association, the Owner will incur a fine of \$10 per day until the compliance steps are submitted and received by the JROA.

3. Owners who have exceeded the water usage limits for the prior year must report their water meter readings within 30 days of the end of each calendar quarter.

If the water meter readings are not reported within 30 days of the end of the calendar quarter, the Owner will incur a fine of \$10 per day until the readings are submitted.

4. Owners who have exceeded their annual water usage limits for a second year shall incur a fine of \$500. That fine amount shall double for each additional year the Owner fails to comply with the water usage restrictions.

Fines for failure to comply with the water usage limitation are special assessments which may be imposed after written notice and opportunity for a hearing in front of the Board. They may be enforced by legal action including without limitation recovery of the Association's legal fees and expenses of enforcement, or by lien, or both. (Covenants section 7.04.) If fines are assessed against the JROA and not individual owners, the full amount will be assessed against the owners responsible for the overage, in addition to the fines as scheduled above and not to compliant owners.

Effective Date: January 1, 2024

Andrew M Gessner, President JROA

Draft letter to owners who have exceed water usage limits

Dear XXX,

The Board of Directors has reviewed your water meter readings. Those readings indicate that you have exceeded your water usage limits for last year. You are entitled to use \_\_\_\_\_ gallons. You used \_\_\_\_\_ gallons.

Water usage limits for each well are restricted by state law and are specified in multiple recorded documents that bind each lot, including our deeded water rights.

Under state law, which apply to all the Owners, you are required to keep your water usage within your allowed limits and under state law the Association is required to enforce those limits.

Failure of any Owner to comply with the water use restrictions can result in serious penalties, including the loss of water pumping rights. Penalties could be imposed on the Association and all the Owners should the state choose to do so.

You now have 30 days to submit the steps you will take to reduce your water usage so that it complies with your water usage limit for this year. Failure to submit those steps will result in a fine of \$10 per day until they are submitted and received by the JROA.

Failure to comply with your water usage limits again will result in a fine of \$\_\_\_\_\_. That fine amount shall double for each additional year you fail to comply with the water usage limits.

We hope you will act quickly and effectively to comply with your water usage limits. We would be happy to share the measures other Owners have taken to control their water usage.

