

**WATER SERVICE REGULATIONS  
FOR  
WILDCAT RANCH**

**SECTION 1  
GENERAL PROVISIONS**

1.1 Purpose. Acting pursuant to the Declaration, these regulations (“Regulations”) are adopted by the Board of Directors of the Association to provide for the orderly management, operation, maintenance, repair and replacement of the Domestic Water System and to implement and assure compliance with the terms, provisions and conditions of the Declaration of Protective Covenants and the Domestic Water Allocation Matrix (DWAM) as provided in the Purchasers Package.

1.2 Amendments. Except as otherwise provided in these Regulations, the Board of Directors of the Association shall retain the right, from time to time, to amend these Regulations; provided that no amendment may contradict or vary from the terms, provisions or conditions of the Declaration or DWAM. Except in the event of an emergency (as determined by the Executive Board), an amendment to these Regulations allowed to be made by the Board of Directors shall become effective fifteen (15) days after a copy thereof has been mailed to the Owners of all Homesteads In Wildcat Ranch. In the event of an emergency, the Board of Directors can make an amendment to these Regulations, which is allowed to be made by the Board of Directors, effective immediately upon adoption.

**SECTION 2  
DEFINITIONS**

Unless the context otherwise provides, the meaning of terms used herein shall be as follows:

2.1 Association. ‘Association’ shall mean Wildcat Ranch Association, a Colorado nonprofit corporation formed to be and constitute the Association to which reference is made in the Declaration and to further the interests of all Owners of Homesteads in Wildcat Ranch. ‘Association’ also includes it’s wholly owned subsidiaries.

2.2 Declaration. “Declaration” shall mean that certain Declaration of Protective Covenants for Wildcat Ranch and all amendments and supplements thereto recorded In the real property records of Pitkin County, State of Colorado.

2.3 Domestic Water System. The domestic water treatment, storage and distribution system for Wildcat Ranch and elements thereof which are owned and operated by the Association, it’s subsidiaries or it’s manager. The system includes water rights, ditches, Wildcat Lake, a 250,000 gallon storage tank and a 60,000 gallon storage tank, a water treatment building and equipment, distribution system with lines to each Homestead, meters, pressure relief valves, booster pumps, fire hydrants and necessary easements for the ditches, lake, storage tanks, water lines and related facilities. Water from the Domestic Water System is treated as required by State of Colorado regulations.

2.4 Board of Directors. "Board" or "Board of Directors" or similar reference shall mean the governing body of the Association.

2.5 Homestead. 'Homestead" shall mean each of the Homesteads as shown on the Plat, with the exception of Homestead 12 which is not served by the Domestic System.

2.6 Owner. "Owner" shall mean any Individual, corporation, partnership, limited liability company, joint venture, trust or other legal entity capable of holding title to real property in Colorado that is the record owner of a Homestead according to the real property records of Pitkin County, State of Colorado.

2.7 Plat. That certain P.U.D Plat for Wildcat Ranch recorded in the real estate records of Pitkin County.

2.8 Lines. Water lines that bring water to residences constructed on the Homesteads from main lines in the System. All main water lines in the System are owned by the Association, and all lines installed by Owners, upon completion and inspection by the appropriate permitting agencies, become the property of the Association..

2.9 Site and Architectural Review Committee, sometimes referred to as SARC, shall mean either the Board of Directors or a committee appointed by the Board for the purpose of reviewing and approving any improvements or change, to natural conditions within Wildcat Ranch

### SECTION 3 WATER CHARGES AND METERING

3.1 Tap fees, monthly service fees, and usage fees. There shall be no tap fees, monthly service fees, or usage fees other than the annual assessment charged by the Association for the 1,792,000 gallons of water to be provided annually to each Homestead.

3.2 Responsibility to engineer water usage. It is solely the responsibility of the Owner of each Homestead to manage the engineering and calculation of the projected and actual water usage of their Homestead. SARC, the Association nor any of their employees, agents, consultants, or Directors assume any responsibility or liability for any Homestead's water usage over the allotted 1,792,000 gallons per year. The required SARC Architectural Review of plans and any approval thereof implies no approval of total water usage, whether landscape requirements are addressed or whether ponds, pools or other water consumptive elements are reviewed.

3.3 Excess Water. In order to promote water conservation and to avoid stressing the operating capacity of the system, all water use by any Homestead above 1,792,000 gallons per calendar year will require the payment of excess water charges at the following rates:

Per gallon charge for water in excess of 1,792.000 gallons per year

1-250,000 gallons----\$.05 per gallon

250,001 – 500,000 gallons----\$.10 per gallon

500,001- 750,000 gallons----\$.20 per gallon  
Each gallon over 750,000 ----\$.40 per gallon

Usage exceeding one million excess gallons may result in restriction of the supply to the minimum amount necessary to retain an Occupancy Permit or termination of water supply.

3.4 Adjustment of Charges and Policies. The Board retains the right from time to time to review and adjust excess water policies and charges. All revenues from excess water charges will be applied first to expenses of the domestic water cost center and thereafter to cost centers as determined by the Board.

3.5 Payment of Charges. Excess water charges will be billed at the end of the calendar year. Any excess water charges not paid within thirty (30) days of billing shall thereafter bear interest at an annual rate of twenty-one percent (21%) from the original due date until paid in full.

3.6 Metering and Records. Owners shall, at the time of the first construction of any improvements on a Homestead for residential purposes, install and maintain, at the Owner's expense, a totaling flow meter with shut-off valve of a type and in a location acceptable to the Association, to accurately measure the total amount of treated water provided to such Homestead. All meters shall be installed on the line upstream of the first tap, shall be easily accessible to the Association, and may be read as often as required by the Association. The Owner grants the Association and its agents access to and over the Homestead for the purpose of reading meters during normal business hours as required by the Association. Owners shall maintain and provide to the Association such other records regarding Owner's treated water usage, facilities, ponds, sprinkling and irrigation systems and other water usage elements as may be required in order for the Association to improve operations of the Domestic Water System and/or comply with the terms of the DWAM. Owners shall be responsible for keeping water meters in good repair and where any water meter is not operating or is installed incorrectly, the Association may relocate, repair (or, if necessary, replace) the meter and charge the Owner for the cost thereof.

3.7 Watering Days. To spread the peak demand for water, owners are allowed to water exterior landscape only on an every other day schedule, with even numbered Homesteads watering on even days and odd numbers on odd days. For germination of newly planted seed or new vegetation, the Association will grant variances on a request basis, if capable.

#### SECTION 4 WATER EMERGENCY

4.1 Curtailment. From time to time the Board may, during times of water shortage, limit or completely stop use of water for landscape irrigation, ponds, other outdoor uses, and pools whether indoors or outdoors, and may limit use of water from the Domestic Water System for in-home use.

## SECTION 5 OWNERSHIP, USE AND OPERATION OF SYSTEM

5.1 Ownership of System.. The Association is the owner of the Domestic Water System and the Association accepts responsibility for the operation, maintenance, repair and replacement of said system.

5.2 Use of System. All Owners may, at the time of the first construction of any Improvements on a Homestead for residential purposes, connect to the Domestic Water System. The Domestic Water System shall be the sole provider of water for all in-house use. Exempt wells, where available, may be used for exterior watering and ponds.

5.3 Lines from Mains to Residences. Owners will construct, at Owner's expense, all Lines from the mains to the Residences. The design and location of these Lines shall be approved the SARC, which approval will not be unreasonably withheld. Owners may not install or tie into the Association's water lines until the design and location have been approved. Owners shall provide the Association with as-built drawings of the Lines promptly after their construction. Ownership of the Lines shall thereafter remain with the Association, however, any repair or reconstruction of the lines shall be done by the Owner at his sole cost and with the approval and consent of the Association.

5.4 System Operator. The Association shall hire an operator for the Domestic Water System. The person hired by the Association shall be certified by the State of Colorado to operate a system of the kind utilized by Wildcat Ranch

5.5 Service Interruptions. Owners recognize and acknowledge that the quantity and/or quality of water provided at Wildcat Ranch may be disrupted or impaired from time to time due to line breaks, equipment malfunctions, treatment problems or other failures in the Domestic Water System. Such failures may cause water quality to drop below mandated levels for short periods of time. In addition, the Association may need to interrupt service from time to time for maintenance, repair or replacement of components of the Domestic Water System. The Association will endeavor to keep such Interruptions and problems to a minimum and will provide Owners as much advance notice of any Interruptions as is reasonably possible and shall correct such problems as quickly as is reasonably possible. The Association shall have no liability to Owners for any damages or losses associated with such service Interruptions or problems.

5.6 Wastewater. Owners shall have sole arid complete responsibility for the proper treatment of any wastewater generated by the use of water on any Homestead. The Association provides no wastewater treatment service.

5.7 Right of Entry. The Association, its agents, officers, employees, or other persons delegated by the Association, shall have the right to enter upon any Homestead for the purpose of performing any repair, maintenance or replacements of lines or other facilities or for the purpose of inspection, observation, measurement, sampling or testing

## SECTION 6 EXEMPT WELLS

6.1 Subject to any restrictions of the Declaration or DWAM and provided that the approval of the Association has first been obtained, Owners shall be permitted to drill

and operate one exempt well (or more if approved by the Association) under C.R.S. §37-92-602(3)(b)(1I) on each Homestead for irrigation purposes. No in-house water shall be obtained out of exempt wells, except in the case of Homestead 12. The Association may establish limits on the acreage of land that may be irrigated out of any exempt wells. Exempt wells may also be used for watering horses on certain Homesteads. Owners shall be responsible for the payment of all costs associated with the drilling, development, operation, repair, maintenance and replacement of any exempt well. No assurance can be given that a permit for an exempt well can be obtained for any particular Homestead nor the terms, conditions and restrictions that may be imposed in connection with Issuance of such permit.

## SECTION 7 RIGHTS AND REMEDIES

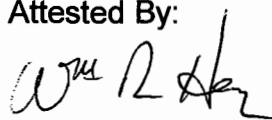
7.1 Remedies. Any excess water charges, late charges, any fines or penalties or any other amounts due or recoverable by the Association under any provision of the Regulations, shall, without limit to any other right to remedy be collectable or recoverable under the provisions of the Declaration.

7.2 Termination of Service. Without limit to any other right or remedy, in the event of any violation of these Regulations or non-payment of any excess water usage charges, penalties or overdue amounts, including any interest or late charges, the Owner shall be given not less than thirty (30) days' advance written notice of reduction of supply or the termination of service and the right during said period to have a hearing before the Board regarding such reduction or termination. If any nonpayment or violation of these Regulations is not resolved to the satisfaction of the Board within the time provided, water service to the particular Homestead may be terminated at the shut-off valve or by disconnecting such Owner's Private Line from the Domestic Water System. The termination of water service shall continue until the violation of these Regulations is cured to the satisfaction of the Association (and adequate assurance provided that such violation will not again occur) or until any past due fees, charges, fines, penalties, costs or other amounts due or recoverable by the Association are paid in full.

In Witness whereof, these Water Service Regulations were duly adopted by the Wildcat Ranch Association Board of Directors by unanimous agreement, this 31 day of December, 1997.

WILDCAT RANCH ASSOCIATION

Attested By:



William R. Hegberg  
President

**MINUTES**  
**September 2, 2001**  
**MEETING OF THE DIRECTORS OF WILDCAT RANCH ASSOCIATION**  
**A COLORADO NON-PROFIT CORPORATION**

The undersigned, having been duly appointed Secretary of Wildcat Ranch Association, a Colorado Non-Profit Corporation ("Corporation"), hereby certifies that the following constitutes the minutes of the September 2, 2001 meeting of the Board of Directors of the Corporation.

1. The meeting was held at 3:00 p.m. on September 2, 2001 at the Ranch office, 3228 Lake Wildcat Road, Snowmass, CO 81615, pursuant to notice of the meeting having been delivered to all directors in accordance with the provisions of the Bylaws.

The directors present in person were: John Preston, Bruce Halle and Dick Irwin.

Additional people present were: Bill Hegberg and Mike Thomas.

2. There was a water policy review and discussion. The annual Domestic Water Allocation Matrix (DWAM) will remain the same at 1,792,000 gallons.

The water policy Section 3.3 Excess Water was amended by a unanimous vote of the board as follows:

- 3.3 Excess Water. In order to promote water conservation and to avoid stressing the operating capacity of the system, all water use by any Homestead above 1,792, 000 gallons per calendar year will require the payment of excess water charges at the following rates:

Per gallon charge for water in excess of 1,792,000 gallons per year:

1 – 250,000 gallons.....	\$.03 per gallon
250,001 – 500,000 gallons.....	\$.04 per gallon
500,001 – 750,000 gallons.....	\$.05 per gallon
750,001 –1,000,000 gallons.....	\$.10 per gallon
Each gallon over 1 million.....	\$.40 per gallon

3. The meeting adjourned at 4:00 p.m.

Dated: May 15, 2003

  
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Dick Irwin, Acting Secretary

## **Wildcat Ranch Water Meter Specifications**

### **Specs for main residence:**

Kent C-3000 Compound Meter located in mechanical space with remote readout located on exterior of structure

### **Specs for barns, guest houses and accessory structures:**

Kent C-700 Meter located in mechanical space with remote readout located on exterior of structure.

**Additionally**, any yard hydrants, irrigation systems, ponds or other water uses must be tapped downstream of water meters in mechanical spaces. Fire sprinkler systems do not need to be metered. No meter pits unless absolutely necessary to retrofit existing installations.