POLICY OF STAGESTOP OWNERS ASSOCIATION WATER AUGMENTATION POLICY

The following policy and procedures have been adopted by Stagestop Owners Association, Inc. ("Association) pursuant to the provisions of C.R.S. 38-33.3-209.5, at a regular meeting of the Board of Directors.

Purpose: To establish enforcement of covenants and rules on the Association's water augmentation responsibilities.

WHEREAS the Association's Declaration of Protective Covenants ("Covenants") restricts water wells to domestic and household use only per Section 13; and

WHEREAS the Covenants grant the Association authority to regulate and enforce the terms and conditions of the augmentation plan and court degree concerning the water rights perfected by the Subdivider to provide well permits for the subdivision per Section 15; and

WHEREAS the Colorado District Court in and for the Water Division No. 1, Case No. W-8108 (75) in 1976 dictated the terms of the water augmentation plan of the Stagestop community;

WHEREAS the Colorado District Court Water Augmentation Plan granted the right to enforce the obligations of the water augmentation plan to the Stagestop Owners Association; and

WHEREAS the water augmentation plan eliminated the historic use of the Old House Creek water right for the purpose of allowing for 500 single-family residential domestic and household-use-only wells in the Stagestop subdivision; and

WHEREAS the augmentation plan offsets depletions resulting from the use of water for Stagestop residences and eliminates possible injury to other water rights in the Tarryall River Basin and assures the granting of permits for wells under 1973 C.R.S. §37-92-602 and prevents curtailment of diversions through facilities required to serve the 500 single-family residential equivalent units, except to the Degree that there is insufficient water in Old House Creek to provide replacement; and

WHEREAS the Association has the right to acquire necessary additional water to meet unexpected demands during periods of drought when consumption exceeds replacement; and

WHEREAS pursuant to the Covenants all wells in the Association, with the exception of 20 domestic wells, are for household use only. Household use only well permits are not allowed any external use of water, such as irrigation of lawns or gardens, nor are they allowed outside hydrants for watering of domestic animals; and

WHEREAS the Colorado Division of Water Resources prohibits filling of hot tubs from non-exempt residential wells;

THEREFORE, the Association does hereby adopt the following policy enforcing the water augmentation plan:

- 1. Irrigation:
 - A. Domestic Wells: For lots with domestic wells, no more than the amount specified on the owner's well permit of square feet of irrigated lawn or garden area is permitted.

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B. Household Use Only Wells: For lots with household use only wells no external use of water is permitted including irrigation of garden, irrigation of lawn or vegetation, filling of swimming pools, or filling of hot tubs.

2. <u>Hot Tubs and Swimming Pools</u>: If a property has a hot tub or swimming pool, property owners must purchase or secure water from a water provider or separate source. Receipts or reasonable other proof of the water purchase or delivery must be provided to the Association Board of Directors quarterly, or at the time of purchase/delivery, whichever is more frequent.

This Policy was adopted by the Association's Board of Directors on this 12th day of December, 2023 and is attested to by the Secretary of Stagestop Owners Association, Inc.

By: Lynda F. Clay, March 6, 2024 Lynda F. Clay, Stagestop Board of Directors – President

Rachel Lee By:

Rachel Lee, Stagestop Board of Directors – Secretary