

MOUNTAIN SHADOWS HOME OWNERS ASSOCIATION WATER POLICY

The Mountain Shadows Home Owners Association (MSHOA) Board of Directors (BOD) is responsible for management of the public water system (PWS), including setting water use policy and, if appropriate, determining a fair and equitable rate or fee schedule for water consumption. The Water Policy shall be promulgated in writing and will have the full force and effect of the CC&Rs (Article 3.3c of the CC&Rs signed 8/31/15).

The MSHOA is responsible for the distribution of potable water from the wells to each water meter. The lot owner is responsible for the infrastructure of water distribution from the water meter onto the owner's property.

The Mountain Shadows PWS (ID 4080100) diversion limits applied to the water system design and in accordance with the current water right license (WRL 65-13800) is 274 gallons per day (GPD) per lot, at build-out.

During the 11/1/2017 Board Meeting, it was decided the MSHOA BOD would put in place a Water Use Policy that included a Water Overage Fee by the first meter reading in 2018. The MSHOA BOD determined the water allotment to be 300 gallons per day (GPD) per lot. If/when Mountain Shadows subdivision approaches full build-out, the Board may need to revisit the existing 300 GPD per lot to be in more alignment with the water systems' design of 274 GPD per lot. The Board will determine the amount of Meter Readings to be performed at the beginning of each year.

This policy is designed to encourage water conservation and to help identify leaks within the PWS.

Water Overage Fee:

For lot owners who own more than 1 lot, the GPD for each lot will be combined as one total within the calculation. Example if a lot owner owns 2 lots, the cumulative GPD allotment is 600 GPD.

All GPD **over** the allotted GPD will be invoiced as follows:

- 1 – 100 average GPD: \$0.0036 fee for an overage up to the first 100 average GPD.
- 101 – 300 average GPD: \$0.0054 fee for an overage between 101 – 300 average GPD.
- 301+ average GPD: \$0.0100 fee for an overage above 300 average GPD.

The billing is calculated as follows: Overage GPD x Amount x Days in Billing Period. Example if the meter reading identifies the average GPD over the allotted water share of 524 over a 35-day period. The amount billed will be \$128.80. The calculation is as follows:

- Overage amount between 1-100 average GPD (100 average GPD overage x \$0.0036 x 35 days) = \$12.60.
- Overage amount between 101-300 average GPD (200 average GPD overage x \$0.0054 x 35 days) = \$37.80.
- Overage amount between 301 average GPD and above (224 average GPD overage x \$0.0100 x 35 days) = \$78.40.

All lot owners that exceed their allotted GPD will receive an invoice. Once invoiced, any lot owner may dispute or explain any circumstances that may have caused or contributed to the overage (e.g. unseen leak, etc.) and request the MSHOA Board to review for credit on their invoice. The MSHOA Board will review the information and make a determination for the request on a case-by-case basis. The initial contact with the Board should be via the 'Contact Us' tab on the Mountain Shadows website:

<http://mtnshadowshoa.org/contact-us/>

Effective Date 12/4/2019