

RESOLUTION OF THE BOARD OF DIRECTORS, RUBY RANCH OWNERS ASSOCIATION
CONCERNING OPERATION OF IRRIGATION DITCHES AND LATERALS

The Ruby Ranch Owners Association Board of Directors in regular session sitting this 27th day of November, 2001, hereby finds and resolves as follows:

WHEREAS, the Ruby Ranch Owners Association Board of Directors (hereinafter "Owners Board") owns the water rights for three irrigation ditches, which irrigate meadows on the Ruby Ranch, which water rights have been assigned to the Willow Brook Metropolitan District for purposes of carrying out that irrigation; and

WHEREAS, the Owners Board has determined that a formal policy is necessary to govern the use of these water rights for purposes which do not produce a common benefit to all owners equally; and

WHEREAS, the Owners Board believes that it is necessary to formally acknowledge the existence of ground water from the irrigation ditches that must be recognized and taken into account when lot owners construct homes and leach fields; and

WHEREAS, the Ranch water rights, during most summer months, barely provide sufficient water to adequately irrigate the meadows and pastures of the Ranch making little or no water available during those times for other purposes; and

WHEREAS, the development of amenity irrigation systems on private lots adjacent to the Ranch irrigation system is not inherently inconsistent with Ranch irrigation requirements so long as it is subordinate to the requirements and demands of the Ranch meadows; and

WHEREAS, the development of water impoundment structures on lots on the Ranch will generally conflict with the use of Ranch water rights for the decreed irrigation purposes and produces undesirable wet and saturated soil conditions below the impoundments;

and

WHEREAS, the Willow Brook Metropolitan District Board of Directors is considering a statement of policies and procedures to address these issues which are attached hereto as Exhibit A and incorporated herein.

NOW, THEREFORE, be it resolved that:

1. Only those uses of the Ruby Ranch irrigation water rights and ditches recognized by the Ranch Covenants should be permitted by the Ruby Ranch Architectural Review Committee.
2. Requests for uses beyond those specified by the Covenants should only be permitted pursuant to the variance procedure in the Covenants at Article VI, Section 3, and subject to the determination of the Willow Brook Metropolitan District Board of Directors as the owner of the Ranch meadows and pastures and operator of the irrigation system.
3. The development of amenity irrigation systems should only be permitted after obtaining the prior written approval of the Architectural Review Committee, and the Willow Brook Metropolitan District Board of Directors.
4. A set of policies and procedures are hereby adopted to govern issues related to the Ranch irrigation ditches and water rights and which are recommended to the Willow Brook Metropolitan District Board of Directors, which policies and procedures are attached hereto as Exhibit A and incorporated herein as if the same were set forth in their entirety in this Resolution.
5. The Willow Brook Metropolitan District Board of Directors is encouraged to also approve and adopt these procedures in their entirety.

Done this 27th day of October, 2001.

RUBY RANCH OWNERS ASSOCIATION

By: _____ President

EXHIBIT A:

WILLOW BROOK METROPOLITAN DISTRICT BOARD OF DIRECTORS

RESOLUTION CONCERNING THE OPERATION OF IRRIGATION DITCHES AND LATERALS ON THE RUBY RANCH

The Willow Brook Metropolitan District Board of Directors in regular session sitting this ____ day of _____, 2001, finds and resolves.

FINDINGS

1. The Ruby Ranch contains approximately 120 acres of irrigated hay meadow and pasture owned by the Willow Brook Metropolitan District (hereinafter "District").
2. These pastures and meadows are irrigated utilizing three irrigation ditches; the water rights for which are owned by the Ruby Ranch Owners Association but allocated to the District for purposes of irrigating the meadows and pastures.
3. The water rights are decreed only for irrigation and not for other purposes.
4. The Ranch irrigation ditches and laterals traverse lots and common space on the Ranch. The ditches and laterals are unlined and water seeps out of them into the soil when they are operated. This seepage is a normal condition which can result in saturated soil conditions below these irrigation facilities. The construction of houses, leach fields, and related facilities must take into account the existence of the irrigation ditches and their attendant seepage.
5. The Ruby Ranch Covenants at Article X, Section 2, provide:

Section 2. Irrigation Easements and Rights Reserved. Declarant hereby reserves to itself, its successors and assigns, until assigned to the Association, perpetual easements 20 feet in width across all of the lands in the subdivision centered along the line of all irrigation ditches and laterals presently in existence or hereafter constructed with the consent of the owners of the lands across which constructed, for the purpose of construction, maintaining, and operating irrigation ditches and laterals for the proper irrigation of all meadow lands in the subdivision located on any lots and tracts therein and covenants that it shall maintain and operate said ditches for proper irrigation of all meadow lands. Declarant similarly reserves to itself, its successors and assigns, the right to, and covenants that it will, irrigate all such meadow lands at all reasonable times, and to go on all lots and tracts in the subdivision for the purpose of irrigating such meadow lands so as to preserve and maintain their natural beauty.

6. The irrigation ditches and water rights benefit all of the owners on the Ranch by adequately irrigating all of the Ranch meadows and pastures rather than being used for amenities on private lots.
7. The Ruby Ranch Architectural Review Committee and the District Manager are regularly asked about the opportunities to use the irrigation ditch water supply for filling ponds, the irrigation of lawns and shrubbery, and to serve other amenities on private lots.
8. The District Board has been advised that during times of severe drought the diversion of some or all of the water rights used to irrigate the meadows may be curtailed.

9. The District Board recognizes that during years of normal and below normal precipitation the entire amount of the flow in all three irrigation ditches are required in order to adequately irrigate the Ranch meadows, including meadows located on private lots which are the responsibility of the Owners Association and the District, pursuant to Ruby Ranch Covenants, Article VII, Section 7, which reads as follows:

Section 7. Hay Meadows. The Declarant initially and, after assignment, the Association, owns all of the hay in the irrigated hay meadows of the subdivision, whether platted in open tracts, access easements or private lots. It is the responsibility of the Association to provide for the irrigation of the meadows, and fertilization, cutting and harvesting of the hay each season. The hay harvest yield, after any share provided to those who irrigate and cut and otherwise harvest the hay, shall be sold first to owners of property in the Ruby Ranch and then to others at a price and at such timing priority as determined by the Board of Directors of the Association. No horses shall be allowed to graze or roam unrestricted in the irrigated meadows in the open area tracts or other open areas unless specifically authorized by the Board of Directors.

10. The protection, irrigation, and management of the Ranch irrigated meadows and pastures is a significant principle recognized in the Ruby Ranch Covenants and benefits all Ranch owners.
11. Policies and procedures governing the use of the Ranch water supply are necessary in order to insure that the Ranch water rights are not used in a manner that is in conflict with the interests of the Ranch community as a whole as embodied in the Covenants.

POLICIES AND PROCEDURES

1. It is the responsibility of each lot owner to insure that construction which occurs on a ranch lot is designed to recognize and account for the existence of seepage from the Ranch irrigation ditches at no cost to the District or the Owners Association.
2. The use of the Ranch water rights for the irrigation of the Ranch meadows and pastures, as defined in Article X, Section 2 of the Covenants, shall be the paramount and overriding purpose for which the three irrigation ditches on the Ranch are operated.
3. The development of ponds or other impoundments on the Ranch is generally inconsistent with the primary use of the Ranch water rights. The water rights are not decreed for storage in ponds or impoundments. The demand for "flow through" water to keep such impoundments fresh would greatly limit and restrict the opportunities to move water to various meadows on the Ranch as necessitated by proper water management. Such ponds or impoundments provide benefits only to the individual lot owner, or lot owners, and not to the Ranch ownership as a whole. In addition, the soil conditions on the Ranch make impoundments a less than desirable situation because of the risk of water logging and soil slumping.
4. The District will take responsibility for the proper irrigation of the Ranch meadows on both public and private lots as specified in the Covenants at Article VII, Section 7.
5. The use of Ranch water rights to fill existing impoundments or for existing amenity irrigation systems shall be subordinate and secondary to the demands of the irrigation of Ranch meadows at all times, including requirements necessitated by water management decisions to avoid water logging, soil slumps, and the development of unwanted wetland areas.
6. Requests for water supply from the Ranch irrigation system by private lot owners shall be made to the Architectural Review Committee, which shall review the request and make a recommendation to the District Board. The District Board shall consider the request at its next regular meeting for which adequate and regular notice of the request can be given. The Architectural Review Committee and the District Board shall be guided by these policies in responding to any such requests.
7. The adjustment of ditch headgates, divider boxes, and water flows in ditches and laterals shall only be performed at the direction of the District Manager or the District employee(s) or contractor(s) designated by the District Manager to make such decisions.
8. The District recognizes the existence of Bootlegger Lake on Lot 25 and an impoundment on Lot 24 which depend upon the Ranch water rights and/or ditches for supply. While these facilities are

in existence, their operation shall remain subordinate to the demands of the Ranch meadows and may only be filled or replenished when water supply is not required for irrigation purposes, as determined by the District Manager or his designee.

9. The District Board recognizes that there is a decree for the pond on Lot 24. The District Board also recognizes that this decree does not give the owner of Lot 24 a superior right to the use of water from the irrigation ditch when the irrigation water right is being diverted and may only be exercised when (a) its junior priority date is in priority and (b) there is excess capacity in the Sawmill Ditch. At all other times, one hundred percent of the water flowing in the Sawmill Ditch is being diverted pursuant to the water rights owned by Owners Association and operated by the District and under the jurisdiction of the District Manager.
10. The District Board recognizes that there are currently amenity irrigation systems on Lots 1, 10, and 20 which rely on the Ranch irrigation ditches for their source of supply. These facilities may be operated only at times and in a manner approved by the District Manager and consistent with the overriding requirement for the use of the Ranch water rights for the benefit of all Ranch residents on the meadows and pastures.
11. No further impoundments dependant upon the Ranch irrigation ditches and water rights may be constructed nor amenity irrigation systems installed which are dependant upon the Ranch irrigation ditches and water rights without the prior written approval of the Architectural Review Committee and the District Board.
12. The intent of these policies and procedures is to avoid unfounded expectations concerning the use of water from the Ruby Ranch irrigation system, including the expectation that the system would be operated for the benefit of individual lotowners versus the benefit of the Ranch owners as a whole, and to permit the District to operate the system in a way that allows for the protection of the Ranch meadows and pastures, as well as their restoration and enhancement.
13. The intent of these policies and procedures is to avoid unfounded expectations concerning the responsibility for mitigating the effects of the operation of the irrigation system on private lots. It shall be solely the private lot owners responsibility to mitigate any effects caused by the operation of the Ranch irrigation system on a private lot.
14. The Ruby Ranch Architectural Review Committee is requested to provide a copy of this policy to every owner that requests permission to undertake construction on a Ranch lot, including construction of an amenity irrigation system or a water impoundment and to formally notify the District Board in writing whenever a copy of this policy is disseminated.

Done this ____ day of _____, 2001.

ATTEST: WILLOW BROOK METROPOLITAN DISTRICT

By: _____

Secretary

By: _____

President