

ALPINE LAKES DITCH & RESERVOIR COMPANY
P.O. BOX 53
CHROMO, COLORADO 81128

To: Shareholders

From: Board of Directors

Subject: Irrigation Procedures

The purpose of this memorandum is to generally set forth the irrigation procedure and to delineate the responsibilities of the various parties.

The System. Our irrigation system is comprised of the following components:

1. Lakes and Reservoirs.
 - A. Harris Lake
 - B. Buckles Lake
 - C. Spence Reservoir
 - D. Sappington Reservoir
2. Creeks and ditches located in the National Forest together with various diversion structures.
3. Platted Primary Ditch Easements located within the subdivisions of Alpine Lakes Ranch.
4. Headgates and secondary ditches located on individual lots.

Irrigation Sectors. The Board of Directors has divided the lots with associated water rights into five sectors for the purpose of maintenance and irrigation. The schedule of these sectors is attached to this memorandum for the purpose of promulgating that information. Each sector has a Sector Manager that is responsible for that sector.

The Sector Managers are as follows:

Sector 1 Tom Thorpe 970-264-5253
Sector 2 Bruce Hoch 970-264-1208
Sector 3 Bill Reis 970-264-6691
Sector 4 Bob Harrington 970-264-4145
Sector 5 Bill Hampton 970-264-2121

If you experience problems with irrigation or have questions, call your Sector Manager.

Irrigation Schedule. The Board of Directors has established the irrigation schedule, a copy is attached.

Sector Managers. Each Sector Manager is responsible for monitoring the primary ditches and headgates within their individual sectors. In the event that maintenance of the primary ditches or headgates is required then the Sector Manager will make the required repairs or will contact the President of the Company if additional assistance is required. Additionally, during the irrigation season the Sector Managers will assist the Ditch Rider in administering the irrigation within their particular sector. If and as requested by the Ditch Rider the Sector Managers will open individual lot headgates as directed by the Ditch Rider.

Ditch Rider. A Ditch Rider may be appointed by the Board of Directors and is responsible for the oversight and administration of the irrigation schedule. The Ditch Rider is responsible for monitoring the status of the lakes and reservoirs and is solely responsible for the opening of the dam and reservoir release valves and the various diversion structures within the National Forest. The Ditch Rider is responsible for monitoring the status of the primary ditches and creeks within the National Forest and will coordinate any necessary repairs with the Board of Directors. During the irrigation season, the Ditch Rider will coordinate with the Sector Managers, the irrigation of their respective sectors. At the direction of the Ditch Rider, the Sector Managers will open and monitor the irrigation of their sectors.

Lake and Reservoir Maintenance. The obligation of maintaining the lakes and reservoirs in accordance with the requirements of the Colorado Division of Water Resources is the responsibility of the Board of Directors and such maintenance will be performed as required. The Board of Directors will inspect each lake and reservoir on at least an annual basis for the purpose of determining any required maintenance. Sappington and Spence Reservoirs will be inspected twice each month by the President in accordance with Dam Safety and Construction guide published by the Department of Natural Resources.

Individual Lot Owners. The individual lot owners are responsible for the following:

1. Payment of annual assessment. No lot owner is entitled to the irrigation of their property unless all annual assessment for their lot has been paid in full.
2. Lot owners should monitor the status of the Primary Ditches within their property and contact the appropriate sector manager if maintenance is required.
3. ***No lot owner is entitled to open any headgate to his or her property unless directed by the Sector Manager.***
4. As the individual headgates are opened in accordance with the irrigation schedule, then the individual lot owners are responsible for disbursing the water on their property through the secondary irrigation ditches. *The responsibility for maintaining the secondary ditches is solely the responsibility of the individual lot owners.* Whenever possible the lot owner should be present when their property is being irrigated in order to ensure that the water is spread evenly on their property.
5. Lot owners are not allowed to place any obstruction of any type on the primary ditches upon which the Ditch Company has an easement.
6. In the event that a lot owner places any fence across the primary ditches then it

is required to put a 20 ft. gate across the ditch in order that the Ditch Company have unimpeded access for maintenance purposes.

7. The legal access that the Ditch Company has over individual lots is through the dedicated Ditch Company Easement over the primary ditch as it appears on the plats for each subdivision and access provided by Colorado law to points of disbursement. Often it is necessary for the Ditch Rider and Sector Managers to go upon the individual lots to open headgates and assist in disbursing water to the secondary ditches. Therefore, it is requested that lot owners give the Ditch Company permission to go upon their property for this purpose.

If you experience a problem with your irrigation or have questions, contact your Sector Manager. If the issue is still not resolved to your satisfaction, contact the Ditch Rider or the President.