APPENDIX U-1

Utilities Committee Rules and Regulations For New Construction or Modifications to Existing Property

Purpose:

Homeowners are required to comply with the Association's Utilities Committee and Architectural Control Committee rules relating to new home construction or modification. The purpose of the FCR Utilities Committee, as it relates to lot development, is to ensure that water and other utility services to all of Falls Creek Ranch are not interrupted and to assure compliance with water and septic system requirements as stated in the FCR covenants and relevant rules and regulations. Our water system is permitted by the State of Colorado and adheres to all required laws and regulations of the State and San Juan Basin Health Department.

Water System Description:

Our homeowner's association has a community water system (a lower system and an upper system) that supports our subdivision's potable water. Potable water is water that has been approved for human consumption by the State Health Department. Private water wells are not permitted at Falls Creek Ranch. Our system includes wells, storage tanks, chlorine disinfection facilities, pumps and piping which form a complete distribution system which the Association maintains. All components of the system are located on the Common Property of the Association and the Association has full access to all the facilities. Our water system is considered a public system that complies with all State drinking water regulations including testing, disinfection, and inspections. The system includes fire hydrants placed throughout the Ranch. The cost of the system operations is included in the Association's annual budget paid via association member dues.

Given that FCR is in a high desert, mountain environment, water conservation practices are expected from all members. Potable water supplies are a valuable resource and are limited at FCR. Therefore, irrigated areas on private lots are restricted to a cumulative total of 1,000 square feet. To avoid uncontrolled use of water, ground surface sprinklers of any kind (e.g., impulse, oscillating, whirlybirds) or soaker hoses using potable water are not allowed. Hand watering or well-calibrated drip irrigation systems are allowed. Drip systems should be plumbed at the house using a positive shut-off valve (i.e., not via a yard hydrant). This allows the house water to be shut off while still allowing for outside irrigation.

Non-potable irrigation water is highly recommended for residents' use and is available from the FCR lake, where a pump is provided. Cisterns may be used for irrigation water storage purposes. Water for cisterns is also available from Durango vendors. The use of drought tolerant (xeric) plants, trees and grasses is recommended in any landscaping.

FALLS CREEK RANCH ASSOCIATION, INC. Architectural Control Committee 6350 Falls Creek Main Durango, CO 81301

General Provisions:

A. Costs:

As noted above, the expense of maintaining the FCR water system is paid by the Association members through annual budget assessments. A billing system is in place that charges property owners a monthly base service fee as well as a monthly actual usage fee. Water meters are read monthly.

All individual homeowner lots are required to connect to the water system. The FCR Utilities Committee will select the location where the lot's water service line will connect to the FCR water system. It is the lot owner's responsibility to have the required trench dug and back-filled between the lot and the water main. FCR will then assess the owner a one-time fee to connect to the water meter system. This fee shall be based on current prices to include a water meter, back-flow prevention device and curb stop valve provided and installed by the Association. This installation will be coordinated by the Ranch Manager and the owner/contractor. Billing for this shall be in accordance with ACC Rule 5.0.

B. Location of leach field, septic system:

Each homeowner is responsible for installing and maintaining an individual on-site wastewater disposal system as required by San Juan Basin Health Department.

Individual septic systems are expected to be located within the lot boundaries. In the event a suitable location for the septic system cannot be identified within the lot boundaries, permission must be obtained to place part or all of the system on FCR common property. Per FCRA Covenant 27, such non-exclusive easement shall be granted as necessary "...for meeting applicable health requirements for the location of individual sewage disposal systems." Such use of common property approval is received from the Common Property Committee Chair and the Board of Directors as noted in the ACC Application Packet approval process. Locations of system components must be approved by the FCR Utilities Committee and San Juan Basin Health prior to installation.

The location of the septic system components must be accurately measured and marked with flagging materials or stakes that can be easily identified by all involved FCR committees. Septic system construction may not commence without a permit from San Juan Basin Health. The owner is responsible for assuring that all current design and installation code requirements are being met. In compliance with health department requirements, the leach field, septic tank and all associated piping must be located at least 25 feet from all water mains and service lines. It is recommended that leach fields be located at least 50 feet from all water lines and down grade of them to provide space for replacement fields in the event of leach field failure.

FALLS CREEK RANCH ASSOCIATION, INC. Architectural Control Committee 6350 Falls Creek Main Durango, CO 81301

C. Water Service Lines:

The water service line to a home must be located at least 25 feet from all components of the septic system and along a route approved by the FCR Utilities Committee. Service lines must be buried to a depth of at least 60 inches by code. One inch copper pipe is used from the water main to the curb stop valve and is recommended for the entire length of the service line to the home.

It is the lot owner's responsibility to make sure that the FCR potable water is not contaminated by any non-potable water on the lot premise. Such a cross-connection is a violation of State law. All outside hose bibs must have an approved back-flow prevention device installed.

The lot owner is strongly encouraged to install a whole-house water shutoff valve and a system drain valve. The shutoff would help in the event of an emergency or for the normal installation of some appliances in the home, and the system drain valve is designed to drain water from the house piping. These valves should be accessible for ease of use and operational inspection, such as in a mechanical room or crawl space. Lot owners should also consider installation of pressure reducing valves and expansion tanks in their house water systems.

The Utilities Committee is responsible for all maintenance of water mains and service lines up to and including the curb stop valve, water meter and back-flow prevention device located in each property's water meter pit. Lot owners are responsible for all maintenance and repair of lines between the water meter pit and the home.

D. Excavation and Other Utility Lines:

All utility lines are required to be placed underground. All existing and proposed lines (electrical, gas, telephone, satellite, water) are to be marked on-site **prior** to the Utilities Committee doing your site visit. Existing and proposed lines are also to be indicated on the site plan submitted to the ACC and Utilities Committee for review. Owner or contractor is required to contact "*Call Before You Dig*" (811) to mark the location of all existing electrical and telephone lines prior to any excavation. Lot owners are responsible for locating their water line with the Utilities Committee or Ranch Manager. Propane gas lines must be located and/or installed via a professional propane provider.

No excavation of any kind (test percolation holes, trenches, water line, electric line, gas line, foundation, telephone, or landscaping) may commence without prior notification to the FCR Utilities Committee. This is to identify any areas containing water lines so measures can be taken to ensure the integrity and protection of our water supply. If construction does not occur, all excavation must be reversed with the land returned to its original condition.