

WATER MANAGEMENT & CONSERVATION PLAN INTERLAKEN MUTUAL WATER COMPANY

A. Background Information

Interlaken Estates was founded in 1968 in the Midway, Utah area of Wasatch County, approximately 15 miles south of Park City. The 184-lot development is not within any city limits. Interlaken Mutual Water Company (IMWC), a non-profit corporation, was formed in 1969 to provide water for domestic and culinary use of the development as well as to maintain its roads. Each lot represents one share of IMWC. The shareholders hold an annual meeting and elect a Board of Directors (bi-annually) and they in turn elect officers.

The developers' original plan was to provide lots for part-time summer cabins, and the minimal water system reflected that aim. Of the 184 lots that can be developed, 130 currently have homes built upon them, of which approximately 70 - 80 are now full-time residences.

Currently, the water company charges a flat annual assessment, based on whether the property is a vacant lot or is built upon. A vacant lot is assessed \$750 and a home \$825. In addition to water system testing and maintenance, this income covers maintenance of the road system, snow removal, basic administrative expenses, insurance and taxes. Funds are also allocated for major projects such as our water reservoir fund. Individuals pay for new connections to the water system as homes are built.

B. Existing Resources

IMWC owns one water right, 55-6976. The water right 55-6976 for 77.85 acre-feet per year (AFIY) has been granted a Certificate of Beneficial Use from the Utah Division of Drinking Water, for domestic year-round use of water from Pine Creek to the IMWC underground wells. IMWC also owns 4 shares of Midway Irrigation Company (MIC) stock (certificate #2670). Water from these shares can no longer be utilized by IMWC as Interlaken Estates is not located on historically irrigated property. Discussion with neighboring "historically irrigated property" landowner, Jack Zenger, is in progress regarding a potential trade for usable water.

The water source is two wells located 20 feet apart that takes water from the same aquifer. The existing system, built in the 1970s, consists of two pumps, run one at a time to fill the storage tank. In 2004 the new storage tank was constructed with a capacity of approximately 400,000 gallons. The water is gravity fed through 8-inch or 12-inch lines throughout the neighborhood. There are fire hydrants in the system. The system is closely monitored and maintained by the Board members.

Since the wells are only 20' apart, only one source-protected area is needed. The main source of potential contamination in the protected zone is an existing sanitary sewer collection system serving Interlaken Subdivision which is operated and maintained by the town of Midway, and is considered to be adequately regulated. Wasatch County also regulates land use and has restricted any potential contamination sources in the source-protected zone. In addition, the alluvial aquifer in Heber Valley is classified by the Utah Board of Water Quality as Class IA (pristine aquifer); and, since part of the recharge area of the alluvial aquifer includes the source-protected zone for the Interlaken wells, no potential contamination sources are permitted in the classified area.

C. Current Water Use and Determination of Future Requirements-Water Management Problems and Goals

The annual water right, 55-6976, allows 77.85 AF/Y or about 25 million gallons of water per year. Our 125 homes used about 20.1 million gallons in 2001. Extrapolating our water usage to build-out, we expect still to be below the allowable usage. (SEE CHARTS)

Since our Restrictive Covenants and Articles of Incorporation specify that IMWC's water is for domestic and culinary use only, homes in Interlaken Estates have very little landscaped "yard." Most of the landscaping is natural, e.g. shrub oak, sagebrush and natural flora. Few homes have sprinkler systems or any type of lawn or garden. Our population density is very low with many residents being retired couples and very few children in the neighborhood. High water usage events e.g.: laundry, showers, dishwashers etc. should be well below standard. There are no outdoor swimming pools.

Our Board members routinely walk the neighborhood looking for unexpected pools of water or water sounds from the fire hydrants that would indicate leaks. Immediate action is taken to rectify these situations. They speak to homeowners who appear to be wasting water, most often evidenced by water running into the street or sprinklers running.

Charts have been prepared based on the water use records of IMWC for the period between 1997 and 2001. There are 2 charts: one shows the water use in million gallons per year and the other one shows water use in acre-feet per year. Using the greatest water use year (2000), which was 468 gallons per day per household, the charts were extended to the year 2012, the estimated year of complete build out.

D. Identification of Alternatives to Meet Future Water Needs

As indicated, the company has sufficient source water to adequately serve our domestic and culinary use of 173 families. In order to conserve water, a limited resource in Utah, outside watering of landscaped areas and lawns will be restricted to every other day from May 1 to September 30. Outside watering at even-numbered street addresses shall be limited to even-numbered days of the month and outside watering at odd-numbered addresses shall be limited to odd-numbered days of the month. Hours of outside watering shall be restricted to between 7:00 p.m. and 10:00 a.m. Homeowners will be subject to a water citation if these restrictions are not observed.

Our new Master Water Plan includes the installation of meters at each residence with a progressive pricing scale as follows:

All water delivered will be billed at the following Conservation Rates:

Monthly usage	Cost
10,000 gallons or less	Base rate \$45.00/month (included in annual assessment)
Next 5,000 gallons	@ \$1.25 per thousand gallons
Next 10,000 gallons	@ \$1.50 per thousand gallons
Next 20,000 gallons	@ \$2.00 per thousand gallons
Usage over 45,000 gallons	@ \$2.50 per thousand gallons

The base rate shall be assessed to all homes on an annual assessment bill. Meters shall be read and bills rendered for excess usage. Interest shall be assessed against all accounts which are more than thirty (30) days past due at the rate of one and a half percent (1¹/₂%) per month, which is an annual rate of eighteen percent (18%).

In the event of non-payment of any billing for IMWC service and a 60-day balance exceeding \$50.00, the service will be terminated. Notice of termination of service will be posted on the property. In order to restore service, the bill must be paid in full in addition to a reconnect charge of \$10.00.

E. Evaluation and Selection of Alternatives

1. Replacement of the existing plastic irrigation pipes for the distribution system with 8-inch C-900 plastic pipe or ductile iron pipe will help prevent underground leaks and contamination.
2. Installation of meters and implementation of the progressive rate scale should encourage conservation. We shall review the rate schedule annually to encourage conservation.
3. Planting of low-water-use, fire-resistant landscaping shall be encouraged. Our Community Fire Committee actively campaigns and provides educational materials to the homeowners.

F. Periodic Evaluation

Our water conservation plan and rate schedule will be reviewed annually prior to the annual shareholders meeting. We will compare neighboring community rate plans with our own to remain competitive.

A committee will be formed to obtain resources. The committee shall research the conservation ideas of other communities.

The Board will discuss new ideas to be implemented and present them at the annual meetings as well as in our private newsletters.

G. Associated Plans — Emergency Response Plan

A comprehensive Emergency Response Plan has been developed. Until it is fully implemented, the following short-term measures will be employed.

Homeowners should read their own water meters monthly for personal monitoring of water usage, and proper functionality of the water meters. Problems found should be reported to the IMWC board as soon as possible.

Homeowners should keep a three-day supply of water for emergency use. In case of minor outages, including new water connections, testing of fire hydrants, repairing of leaking valves, well-fuse failure and other non-threatening procedures performed on a routine basis, signs posted on the entrance road will notify homeowners. Volunteer residents or hired contractors will make repairs.

In the event of limited area main water-line break, fecal coliform-positive result in the laboratory sample, well-pump failure, house fire, or other events which cause water shortages that are expected to last a couple of days, homeowners will be

notified by signs posted on the entrance road and telephone calls as needed. Volunteer residents or hired contractors as appropriate will make repairs.

In the event of extended water shortages due to widespread contamination caused by fecal coliforms or E. coli, a major line break such as caused by a lower magnitude earthquake or severe storm, well-pump burnout, or when the problem at hand is beyond the capabilities of the drinking water system personnel and equipment homeowners will be notified by signs posted on the entrance road and telephone calls as needed. Under such circumstances, private contractors shall be called in for assistance. Bulk water shall be supplied at the base of Interlaken Drive and arrangements shall be made for delivery of bottled water to all homes.

H. List of Company Officers & Committee Chairs

President:	Sherry Bolca	234 Interlaken Dr.	657-2723
Vice President:	Doug Hileman	252 Edelweiss Lane	654-1844
Secretary/Treasurer:	Marianne Wicks	336 Interlaken Dr.	657-2705
Water Project Manager:	Judy O'Loughlin	425 Jungfrau Hill Rd.	654-7453
Building Manager:	John Barton	317 Jungfrau Hill Rd.	654-3554
Water Quality Manager:	Willie Kimmes	288 Jungfrau Hill Rd.	Cell: 435-640-4110
Database Manager:	Carlos Monssen	336 Interlaken Dr.	657-2705
Certified Water Operator:	Bob Davis	335 Bern Way	654-5461

Certification of Adoption

We, the Interlaken Mutual Water Company Board of Directors, hereby certify that the attached Water Management and Conservation Plan has been established and adopted by our board of directors on _____

Signature

Title