

Dear Dry Creek Ranch Homeowner,

A key component of the Dry Creek Ranch community sustainability revolves around water use and reclamation. Our potable water is sourced on-site from groundwater wells and after use, the water is reclaimed and returned to the environment within the community boundaries.

To meet the needs of the growing community, the water system requires major capital improvements. Ultimately, the community will require storage tanks, booster stations, and an additional well. Significant progress has been made on one of the storage tanks, one of the booster stations and the well that are all needed within the next few years.

When brought online, these systems will require additional support from our certified operator. Additionally, we must budget in advance for significant periodic maintenance events. For example, specialty contractors must be hired once every five years to clean the storage tank.

Due to recent inflation, increased operational costs associated with these projects, and to fund the maintenance reserve fund, a \$12.50 increase will be added to your monthly water bill beginning January 2023. The \$2.00 fee per 1000-gallon unit will not be changed.

While we understand that this increase is significant, we would also like to point out the cost savings associated with our backflow prevention testing program. Each home in Dry Creek Ranch has a backflow prevention device to prevent potential bacteria or other pollutants associated with landscape irrigation from backflowing into the potable water supply system. This device is required by EPA regulations, as is annual testing of the device. Each homeowner is responsible for the annual testing of their device as well as any repairs that may be needed, and the HOA is required to obtain a copy of a passing inspection. The HOA has collaborated with a certified device inspector to test all devices in the community at a rate of \$25/home that is added to your July or August bill. As well as providing a convenience to residents by eliminating the task of scheduling the testing, the community-wide program represents a cost savings of \$100.00 per home as the local rate is \$125.00 for an individual test.

Dry Creek Sewer Company has also provided notice that they will be increasing their monthly rate by \$10/month effective January 1, 2023 due to inflation, particularly associated with labor and diesel.

Sincerely,

Dry Creek Ranch HOA Board of Directors