

February 19, 2018

Dear Elkhorn Ranches Owners:

I am excited to announce that we have reached an agreement with Bar Star for our water augmentation plan maintenance. The agreement was signed by both parties in January.

We, the EROA Board, worked hard to get an agreement in place that will work for now and in the future. The current arrangement is for the next 5 years.

The main points of the agreement are as follows:

1. The court cases from both sides will be dropped.
2. Bar Star has acknowledged with this agreement that Elkhorn Ranches has water rights in the Tarryall Ranch Reservoir.
3. Bar Star will receive an annual payment of \$5,500 for their services. This amount will stay the same for 5 years and be made on April 1 each year. After the first 5 years, the payment terms will be renegotiated based on the actual cost of running this plan.
4. Bar Star will be responsible for diverting water and releasing from storage according to the terms of the decrees and calls from the water commissioner. We will continue to provide the required reports to the water commissioner.
5. Routine maintenance of the ditch system will be performed by Bar Star and reported to EROA. Any other changes or maintenance will be addressed as needed.
6. EROA and Bar Star will work together and allow for inspections of the water system on Bar Star's land.
7. This agreement is valid and has conditions to protect the interest of both EROA and Bar Star.

If you have specific questions, please contact me or any board member. This agreement will also be on the agenda for the annual meeting on March 31, 2018 at 10:00 am. The annual meeting will be held at the Indian Mountain Community Center, located at 31 Keneu Ct, near Chief on Arrowhead.

Georgia Comstock
EROA Board President