



NOTICE TO SHAREHOLDERS AND WATER USERS REGARDING DECLARATION OF LEVEL 2 WATER SHORTAGE

On June 9, 2015, the Board of Directors of the Montebello Land and Water Company (the "Company"), duly adopted a Resolution declaring a Level 2 Water Shortage in accordance with the Company's Water Shortage Contingency Plan and the Emergency Regulations enacted by the California State Water Resources Control Board. Copies of the Board's June 9, 2015 Resolution and of the Company's Water Shortage Contingency Plan may be obtained from the Company or viewed on the Company's website at www.mtblw.com.

In accordance with the mandatory water conservation measures now in effect for the Company's water users, please be advised as follows:

- **Limits on Watering Days.** Watering or irrigating of lawn, landscape or other vegetated area with potable water is limited to no more than **two** days per week. During the months of November through March, watering or irrigating of lawn, landscape or other vegetated area with potable water is limited to no more than one day per week. The choice of which day(s) for watering is left to the water user.

This provision does not apply to landscape irrigation zones that exclusively use very low flow drip type irrigation systems when no emitter produces more than two gallons of water per hour. This provision also does not apply to watering or irrigating by use of a hand-held bucket or similar container, a hand-held hose equipped with a positive self-closing water shut-off nozzle or device, or for very short periods of time for the express purpose of adjusting or repairing an irrigation system.

- **No Watering During or Immediately After Measureable Rainfall.** The application of potable water to outdoor landscapes during and within 48 hours after measurable rainfall is prohibited.
- **Obligation to Fix Leaks, Breaks or Malfunctions.** All leaks, breaks; or other malfunctions in the water user's plumbing or distribution system must be repaired within **48 hours** of receipt of written notification by the Company unless other arrangements are made with the Company.

In addition to the foregoing Level 2 Water Shortage requirements, the following permanent water conservation requirements are in effect at all times:

- **Limit on Watering Duration.** Watering or irrigating of lawn, landscape or other vegetated area with potable water using a landscape irrigation system or a watering device that is not continuously attended is limited to no more than fifteen minutes watering per day per station. This subsection does not apply to landscape irrigation systems that exclusively use very low-flow drip type irrigation systems when no emitter produces more than two gallons

of water per hour or weather based controllers or stream rotor sprinklers that meet a seventy percent efficiency standard.

- **No Excessive Water Flow or Runoff.** Watering or irrigating of any lawn, landscape or other vegetated area in a manner that causes or allows excessive water flow or runoff onto an adjoining property, or non-landscaped areas such as sidewalks, driveways, streets, alleys, gutters or ditches is prohibited.
- **No Washing Down Hard or Paved Surfaces.** Washing down hard or paved surfaces, including but not limited to sidewalks, walkways, driveways, parking areas, tennis courts, patios or alleys, is prohibited except when necessary to alleviate safety or sanitary hazards, and then only by use of a hand-held bucket or similar container, a hand-held hose equipped with a positive self-closing water shut-off device, a low-volume, high-pressure cleaning machine equipped to recycle any water used, or a low-volume high-pressure water broom. Should the use of water for wash-down have to do with an immediate fire or sanitation hazard, written permission shall have been obtained from the City fire department, health department or building department.
- **Limits on Washing Vehicles.** Using water to wash or clean a vehicle, including but not limited to any automobile, truck, van, bus, motorcycle, boat or trailer, whether motorized or not is prohibited, except by use of a hand-held bucket or similar container or a hand-held hose equipped with a positive self-closing water shut-off nozzle or device. This subsection does not apply to any commercial car washing facility with an on-site water recycling system.
- **Water Fountains and Decorative Water Features.** Operating a water fountain or other decorative water feature that does not use recirculated water is prohibited.
- **Swimming Pools, Spas and Ponds.** Filling or refilling of private swimming pools, spas, ponds and artificial lakes is prohibited between ten a.m. and one hour before sunset. Swimming pools and spas shall be equipped with covers to minimize evaporation and such covers shall be used not less than five days a week unless the facility is in use.
- **Drinking Water Served Upon Request Only.** Eating or drinking establishments, including but not limited to restaurants, hotels, cafes, cafeterias, bars, or other public places where food or drinks are sold, served, or offered for sale, are prohibited from providing drinking water to any person unless expressly requested by that person or that person's guardian or custodian of care therefor.
- **Commercial Lodging Establishments.** Hotels, motels and other commercial lodging establishments must provide customers the option of not having towels and linen laundered daily. Commercial lodging establishments must prominently display notice of this option in each bathroom using clear and easily understood English and Spanish languages and any other language commonly used by users of such establishments.
- **Single Pass Cooling Systems.** Installation of single pass cooling systems is prohibited in buildings requesting new water service.

- **Commercial Car Wash and Laundry Systems.** Installation of non-recirculating water systems is prohibited in premises with new commercial conveyor car wash or new commercial laundry systems.
- **Restaurant Dish Washing.** Food preparation establishments, such as restaurants or cafes, are prohibited from using non-water conserving dish wash spray valves.
- **Commercial Car Wash Systems.** All commercial car wash systems must have installed operational recirculating water systems, or must have secured a waiver of this requirement and/or an extension of time for installation from the City.
- **Construction Sites.** Construction meters used for landscape irrigation shall not be used between ten a.m. and one hour before sunset.

Penalties. Penalties for failure to comply with these mandatory water conservation restrictions are as follows:

- **First Violation.** The Company will issue a written warning and deliver a copy of this Plan to the shareholder of record for the property on which the violation occurred by United States Postal Service first class (USPS) mail.
- **Second Violation.** A second violation within the following twelve calendar months of the first violation will subject the shareholder's account for the property on which the violation occurred to a penalty assessment not to exceed one hundred dollars, which will be subject to collection by the Company as are all other rates, charges and assessments.
- **Third Violation.** A third violation within the following twelve calendar months of the first violation will subject the shareholder's account for the property on which the violation occurred to a penalty assessment not to exceed two hundred fifty dollars, which will be subject to collection by the Company as are all other rates, charges and assessments.
- **Fourth and Subsequent Violations.** A fourth violation in the following twelve calendar months of the first violation will subject the shareholder's account for the property on which the violation occurred to a penalty assessment not to exceed five hundred dollars, which will be subject to collection by the Company as are all other rates, charges and assessments.
- **Water Flow Restrictor.** In addition to any penalty assessments, the Company may install a water flow restrictor device of approximately one gallon per minute capacity for service pipe up to one and one-half inch size and comparatively sized restrictors for larger services after issuance by the Company of a written notice of intent to install a flow restrictor for a minimum of forty-eight hours.
- **Discontinuing Service.** In addition to any penalty assessments and the installation of a water flow restrictor, the Company may disconnect a shareholder's water service for willful violations of mandatory water conservation restrictions.