

La Entrada at Rancho Viejo / Ranchland Utility Company
Reclaimed Water Use Disclosure
September 8, 2008

As part of its ongoing efforts to promote water conservation, Rancho Viejo has installed a reclaimed water supply system within La Entrada. The reclaimed water system is owned and operated by Ranchland Utility Company, a subsidiary of Rancho Viejo de Santa Fe, Inc. Reclaimed water service is available from Ranchland Utility Company subject to terms and conditions which Ranchland may modify from time to time. Terms and conditions current as of the date of this document are outlined as follows:

1. Intent

- a. The La Entrada Reclaimed Water System is intended to provide a limited amount of reclaimed water for irrigation of landscaped open space areas, streetscapes, and drip irrigation of front and rear yard landscape areas. The system is not intended to provide spray irrigation to front and/or rear yard turf areas.
- b. For public landscaped open space and streetscape areas, the reclaimed water is intended to supplement natural precipitation for the drought-tolerant Xeric landscape vegetation permitted within Rancho Viejo until such time as the landscape is established and can survive without supplemental irrigation water.
- c. For front and rear yard landscape areas, the reclaimed water is intended to supplement natural precipitation for the drought-tolerant Xeric landscape vegetation permitted within Rancho Viejo on an ongoing basis.
- d. Reclaimed water shall only be used for irrigation purposes in accordance with applicable Federal, State and Local regulations.

2. Source

- a. The reclaimed water is produced by the Rancho Viejo Wastewater Treatment plant in accordance with Federal, State and Local requirements and guidelines. The reclaimed water is treated to the New Mexico Environment Department treatment level 1-A.

3. Availability

- a. Reclaimed water is generally available during the irrigation season from the beginning of May through the end of October, depending on seasonal temperatures. Some landscape vegetation must be irrigated occasionally through the winter. Because reclaimed water is not available through the winter, individual homeowners are responsible for hand irrigating their landscape vegetation with water from their potable water service. If the homeowner elects to irrigate with a hose, it is extremely important that the hose be disconnected from the hose bib and the spigot be drained completely immediately after each use. This will prevent the hose bib from freezing and possibly bursting inside the exterior wall.

- b. To ensure overall system balance, Ranchland sets specific allowable irrigation time periods for specific areas within La Entrada. Reclaimed water will only be available during the allowable irrigation time period. In order for homeowners to receive reclaimed water, it is essential that the homeowner programs the irrigation controller(s) to irrigate during the allowable irrigation time period. Ranchland may adjust allowable irrigation time periods from time to time and will notify reclaimed water users if it elects to do so.
- c. Although more water may be available at times, the reclaimed water system is designed to provide 200 gallons to each home two times per week. The watering schedule will be provided each year in April. Homeowners are encouraged to read their meters periodically and budget their reclaimed water use. Ranchland reserves the right to charge a penalty of \$50 per month for reclaimed water use in excess of 500 gallons per week (2,000 gallons per month).
- d. To ensure consistent irrigation availability through the grow-in period, new landscape vegetation will be irrigated through an interim connection to the potable water system. On or about the time of the 11-month Home Warranty review, Rancho Viejo will disconnect the irrigation system from the potable system and connect the irrigation system to the reclaimed water system.

4. Metering and Payment

- a. The homeowner will be responsible for paying for potable water used to irrigate during the grow-in period until Rancho Viejo connects the irrigation system to the reclaimed water system.
- b. The homeowner will be responsible for paying for potable water used to irrigate when reclaimed water is not available.
- c. Reclaimed water use will be metered by Ranchland Utility Company with a Ranchland reclaimed water meter. The meter will be read at least annually at the end of the reclaimed water irrigation season, and reclaimed water bills will be mailed or otherwise delivered to each reclaimed water user. Ranchland's current reclaimed water rate is \$1.00 per 1,000 gallons.

5. Compliance

- a. Ranchland Utility Company reserves the right to refuse or curtail reclaimed water service to any reclaimed water user for failure to comply with Ranchland terms and conditions relating to reclaimed water service.