

# La Cumbre Mutual Water Company

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[WWW.LACUMBREWATER.COM](http://WWW.LACUMBREWATER.COM)

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VICE-PRESIDENT  
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ROB THOMSON  
MIKE ALVARADO  
GENERAL MANAGER

March 30, 2022

RE: Conversion of Ag Rate Customers to Residential Rate

Dear La Cumbre Mutual Water Customer:

This letter is to inform our shareholders that at the monthly board meeting held today, March 30, 2022, the board of directors unanimously voted to convert the Agricultural Rate customers to residential rate customers. Pursuant to the Company's Bylaws, we are required to notice shareholders within 30 days of a rate change. **Please accept this as the notice required in Section 12 of our Bylaws.** As of May 1, 2022, all Agricultural Rate customers will automatically convert to residential rates. For additional information, please visit our website at [www.LaCumbreWater.com](http://www.LaCumbreWater.com).

The decision was not made lightly, but in the interest of all the Water Company's shareholders we feel it is the right one. The three primary reasons for the decision to eliminate the Ag Rate are: 1) Zoning – no parcels in our service area are zoned for agricultural use; 2) Water use on property – the Water Company sells the Ag Rate water at a discounted amount, but we cannot ensure that it is not being used for other purposes (indoor use, lawn irrigation, swimming pool, etc.); 3) Continued extreme drought conditions and the Water Company having to purchase water at much higher rates than in the past.

If you have any questions, please feel free to contact our board president, Alex Rodriguez. He can be reach by phone at 805-331-7764, or email at [alex@dgccompanies.com](mailto:alex@dgccompanies.com).

Kind regards,



Jane Lodas

Secretary



Alex Rodriguez

President