

EXHIBIT 3-A

RULE 162 - STAGE 2 WATER CONSERVATION

- A. Stage 2 Water Conservation is defined as the second stage in the District's Expanded Water Conservation and Standby Rationing Plan that takes action to maintain Cal-Am water use from the MPWRS below regulatory constraints by requiring implementation of Landscape Water Budgets for large irrigators of three acres or more, large residential water users and water users with dedicated landscape water meters.
- B. Stage 2 Water Conservation shall be enforced when Cal-Am production from the MPWRS has exceeded the year-to-date at month-end target as displayed in Table 1.

The monthly distribution of water production shown in Table 1 between sources in the Carmel River Basin and in the coastal subareas of the Seaside Groundwater Basin shall be approved by the Board of Directors as part of the Quarterly Water Supply Strategy and Budget process. The Board shall hold public hearings to consider the water supply budgets for Cal-Am's main system during the Board's regular meetings in September, December, March, and June, at which time the Board may modify Table 1 by Resolution.

Amended by Ordinance No. 119 (3/21/2005)

Table 1
 REGULATORY WATER PRODUCTION TARGETS
 FOR CALIFORNIA AMERICAN WATER MAIN SYSTEM FROM SOURCES
 WITHIN THE MONTEREY PENINSULA WATER RESOURCES SYSTEM

Month	Monthly Target	Year-to-Date At Month-End Target
October	1,379	1,379
November	1,113	2,492
December	984	3,476
January	958	4,434
February	894	5,328
March	1,047	6,375
April	1,209	7,584
May	1,405	8,989
June	1,527	10,516
July	1,628	12,144
August	1,649	13,793
September	1,492	15,285
TOTAL	15,285	

- C. Requirements imposed by implementation of the Expanded Water Conservation and Standby Rationing Plan through Stage 1 Water Conservation shall remain in force. Requirements may be modified or superseded by actions taken in future stages of the Expanded Water Conservation and Standby Rationing Plan.
- D. Implementation of Landscape Water Budgets: All water users required to obtain a Landscape Water Budget under District Rule 172 are required to manage outdoor irrigation within the Landscape Water Budget assigned to the property.
- E. Water use in excess of the established Landscape Water Budget shall be considered Water Waste and shall be subject to District Rule 171.
- F. Sunset of Stage 2 Water Conservation: Without further action of the Board of Directors, the provisions of Stage 2 Water Conservation shall be rescinded and revert to Stage 1 Water Conservation upon compliance with the year-to-date at month-end production goal for two consecutive months in the subsequent water year.
- G. Notice: Cal-Am shall provide an annual reminder notice to MPWRS users with Landscape Water Budgets to report modifications in landscaping which could alter an existing budget.
- H. Monthly Consumption Reports: During any Stage 2, 3, 4, 5, 6, or 7, Cal-Am shall provide the District with monthly consumption reports in a format approved by the District. Reports shall be provided within fifteen (15) days of the close of the preceding month.

Rule added by Ordinance No. 92 (1/28/99); Ordinance No. 119 (3/21/05)