APPLE VALLEY RANCHOS WATER COMPANY™

News Release

FOR IMMEDIATE RELEASE

FOR MORE INFORMATION, CONTACT:

Miguel Gonzalez

(951) 206-6266

Miguel@catalystfactoragency.com

Apple Valley Ranchos Plans Annual Investment of Nearly \$9 Million

Five Year Landmark Capital Improvement Program Totals Almost \$35 Million

Apple Valley, CA (February 17, 2015) — Apple Valley Ranchos Water Co. today announced plans to invest nearly \$9 million during 2015 to replace more than 36,800 feet or seven miles of water mains; add a new well; and install numerous fire hydrants. This capital investment program is part of a continuous effort to maintain the integrity and reliability of the water system for generations which is essential to the public health, safety and economic well-being of the Apple Valley community. This landmark capital improvement program brings the five-year, company-funded investment to almost \$35 million.

"Ranchos' capital investment program affirms our commitment to the safe and reliable delivery of quality drinking water," said Tony Penna, general manager and vice president. "Our customers count on us and every day our highly trained, certified, and licensed team of water professionals together with our Board embraces this responsibility."

It is a matter of fact that many communities do not make the necessary and continuous investment in the pipes, pumps, valves and tanks needed to ensure reliability.

"We are fortunate to have access to the capital necessary to make continuous improvements to the water system serving Apple Valley," said Penna.

The capital investment program is scheduled to take place throughout the year. Whenever possible, Ranchos works with local vendors and contractors to contribute to the local economy.

"Work on pipelines in the vicinity of Symeron, Mondamon, Tacony, Tuscola and Apple Valley Roads is already in progress and in March, work will begin on Venango and Wintun Roads", said Mike Lent, Rancho's Construction Manager. Much of this work was scheduled in a way to have minimal impact to traffic. According to Lent, the new well is still in the engineering phase and will go out to bid later this year. A listing of Rancho's 2015 capital projects is available on the AVR website at avrwater.com or you can call Mike Lent at 760.247.8317 for more information.

The United States Environmental Protection Agency's (EPA) Fifth Drinking Water Infrastructure Needs Survey and Assessment cites California as having a \$74.4 billion gap in infrastructure investment over the next 20 years. The recently passed Proposition 1 goes part of the way in closing this gap, which is largely due to deferred investment by municipal water systems across the state.

About Apple Valley Ranchos Water Company

Apple Valley Ranchos Water Co. delivers reliable, quality water service to about 63,000 people, in the Town of Apple Valley and parts of San Bernardino County. Ranchos Water is a subsidiary of Park Water Co., based in Los Angeles County, which provides contracted and regulated water utility services serving several communities in Los Angeles County. In addition to Ranchos Water, Park Water owns Mountain Water Co. serving Missoula, Montana Park Water and its subsidiaries provide safe, reliable drinking water service to approximately 300,000 people. Additional information about Ranchos Water can be found by visiting www.avrwater.com or www.appleValleyWaterFacts.com.