

# Appendix 1

---

# APPENDIX 1. APPLICABLE STATUTES AND REGULATIONS FOR Compliance Order No.05-13-18R-002 Source Capacity Violation

*NOTE: The following language is provided for the convenience of the recipient, and cannot be relied upon as the State of California's representation of the law. The published codes are the only official representation of the law. Regulations related to drinking water are in Titles 22 and 17 of the California Code of Regulations. Statutes related to drinking water are in the Health & Safety Code, the Water Code, and other codes.*

## **California Health and Safety Code (CHSC):**

### **Section 116271. Transition of CDPH duties to State Board states in relevant part:**

(a) The state board succeeds to and is vested with all of the authority, duties, powers, purposes, functions, responsibilities, and jurisdiction of the State Department of Public Health, its predecessors, and its director for purposes of all of the following:

- (1) The Environmental Laboratory Accreditation Act (Article 3 (commencing with Section 100825) of Chapter 4 of Part 1 of Division 101).
- (2) Article 3 (commencing with Section 106875) of Chapter 4 of Part 1.
- (3) Article 1 (commencing with Section 115825) of Chapter 5 of Part 10.
- (4) This chapter and the Safe Drinking Water State Revolving Fund Law of 1997 (Chapter 4.5 (commencing with Section 116760)).
- (5) Article 2 (commencing with Section 116800), Article 3 (commencing with Section 116825), and Article 4 (commencing with Section 116875) of Chapter 5.
- (6) Chapter 7 (commencing with Section 116975).
- (7) The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Division 43 (commencing with Section 75001) of the Public Resources Code).
- (8) The Water Recycling Law (Chapter 7 (commencing with Section 13500) of Division 7 of the Water Code).
- (9) Chapter 7.3 (commencing with Section 13560) of Division 7 of the Water Code.
- (10) The California Safe Drinking Water Bond Law of 1976 (Chapter 10.5 (commencing with Section 13850) of Division 7 of the Water Code).
- (11) Wholesale Regional Water System Security and Reliability Act (Division 20.5 (commencing with Section 73500) of the Water Code).
- (12) Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Division 26.5 (commencing with Section 79500) of the Water Code).

(b) The state board shall maintain a drinking water program and carry out the duties, responsibilities, and functions described in this section. Statutory reference to "department," "state department," or "director" regarding a function transferred to the state board shall refer to the state board. This section does not impair the authority of a local health officer to enforce this chapter or a county's election not to enforce this chapter, as provided in Section 116500...

(k)

(1) The state board shall appoint a deputy director who reports to the executive director to oversee the issuance and enforcement of public water system permits and other duties as appropriate. The deputy director shall have public health expertise.

(2) The deputy director is delegated the state board's authority to provide notice, approve notice content, approve emergency notification plans, and take other action pursuant to Article 5 (commencing with Section 116450), to issue, renew, reissue, revise, amend, or deny any public water system permits pursuant to Article 7 (commencing with Section 116525), to suspend or revoke any public water system permit pursuant to Article 8 (commencing with Section 116625), and to issue citations, assess penalties, or issue orders pursuant to Article 9 (commencing with Section 116650). Decisions and actions of the deputy director taken pursuant to Article 5 (commencing with Section 116450) or Article 7 (commencing with Section 116525) are deemed decisions and actions taken by the state board, but are not subject to reconsideration by the state board except as provided in Section 116540. Decisions and actions of the deputy director taken pursuant to Article 8 (commencing with Section 116625) and Article 9 (commencing with Section 116650) are deemed decisions and actions taken by the state board, but any aggrieved person may petition the state board for reconsideration of the decision or action. This subdivision is not a limitation on the state board's authority to delegate any other powers and duties.

### **Section 116555. Operational requirements states in relevant part:**

(a) Any person who owns a public water system shall ensure that the system does all of the following:

- (1) Complies with primary and secondary drinking water standards.
- (2) Will not be subject to backflow under normal operating conditions.
- (3) Provides a reliable and adequate supply of pure, wholesome, healthful, and potable water.

### **Section 116577. Enforcement fee states:**

(a) Each public water system shall reimburse the state board for actual costs incurred by the state board for any of the following enforcement activities related to that water system:

- (1) Preparing, issuing, and monitoring compliance with, an order or a citation.
- (2) Preparing and issuing public notification.
- (3) Conducting a hearing pursuant to Section 116625.

(b) The state board shall submit an invoice for these enforcement costs to the public water system that requires payment before September 1 of the fiscal year following the fiscal year in which the costs were incurred. The invoice shall indicate the total hours expended, the reasons for the expenditure, and the hourly cost rate of the state board. The costs set forth in the invoice shall not exceed the total actual costs to the state board of enforcement activities specified in this section.

(c) Notwithstanding the reimbursement of enforcement costs of the local primacy agency pursuant to subdivision (a) of Section 116595 by a public water system under the jurisdiction of the local primacy agency, a public water system shall also reimburse enforcement costs, if any, incurred by the state board pursuant to this section.

(d) "Enforcement costs," as used in this section, does not include "litigation costs" pursuant to Section 116585.

(e) The state board shall not be entitled to enforcement costs pursuant to this section if a court determines that enforcement activities were in error.

(f) Payment of the invoice shall be made within 90 days of the date of the invoice. Failure to pay the invoice within 90 days shall result in a 10-percent late penalty that shall be paid in addition to the invoiced amount.

(g) The state board may, at its sole discretion, waive payment by a public water system of all or any part of the invoice or penalty.

**Section 116625. Revocation and suspension of permits states:**

(a) The state board, after providing notice to the permittee and opportunity for a hearing, may suspend or revoke any permit issued pursuant to this chapter if the state board determines pursuant to the hearing that the permittee is not complying with the permit, this chapter, or any regulation, standard, or order issued or adopted thereunder, or that the permittee has made a false statement or representation on any application, record, or report maintained or submitted for purposes of compliance with this chapter. If the permittee does not request a hearing within the period specified in the notice, the state board may suspend or revoke the permit without a hearing. If the permittee submits a timely request for a hearing, the hearing shall be before the state board or a member of the state board, in accordance with Section 183 of the Water Code and the rules for adjudicative proceedings adopted under Section 185 of the Water Code. If the permit at issue has been temporarily suspended pursuant to subdivision (b), the notice shall be provided within 15 days of the effective date of the temporary suspension order. The commencement of the hearing under this subdivision shall be as soon as practicable, but no later than 60 days after the effective date of the temporary suspension order, unless the state board grants an extension of the 60 day period upon request of the permittee.

(b) The state board may temporarily suspend any permit issued pursuant to this chapter before any hearing when the action is necessary to prevent an imminent or substantial danger to health. The state board shall notify the permittee of the temporary suspension and the effective date of the temporary suspension and, at the same time, notify the permittee that a hearing has been scheduled. The hearing shall be held as soon as possible, but not later than 15 days after the effective date of the temporary suspension unless the state board grants an extension of the 15 day period upon request of the permittee, and shall deal only with the issue of whether the temporary suspension shall remain in place pending a hearing under subdivision (a). The hearing shall be conducted under the rules for adjudicative proceedings adopted by the state board under Section 185 of the Water Code. The temporary suspension shall remain in effect until the hearing under this subdivision is completed and the state board has made a final determination on the temporary suspension, which shall be made within 15 days after the completion of the hearing unless the state board grants an extension of the 15 day period upon request of the permittee. If the determination is not transmitted within 15 days after the hearing is completed, or any extension of this period requested by the permittee, the temporary suspension shall be of no further effect. Dissolution of the temporary suspension does not deprive the state board of jurisdiction to proceed with a hearing on the merits under subdivision (a).

**Section 116650. Citations states:**

(a) If the state board determines that a public water system is in violation of this chapter or any regulation, permit, standard, citation, or order issued or adopted thereunder, the state board may issue a citation to the public water system. The citation shall be served upon the public water system personally or by certified mail. Service shall be deemed effective as of the date of personal service or the date of receipt of the certified mail. If a person to whom a citation is directed refuses to accept delivery of the certified mail, the date of service shall be deemed to be the date of mailing.

(b) Each citation shall be in writing and shall describe the nature of the violation or violations, including a reference to the statutory provision, standard, order, citation, permit, or regulation alleged to have been violated.

(c) A citation may specify a date for elimination or correction of the condition constituting the violation.

(d) A citation may include the assessment of a penalty as specified in subdivision (e).

(e) The state board may assess a penalty in an amount not to exceed one thousand dollars (\$1,000) per day for each day that a violation occurred, and for each day that a violation continues to occur. A separate penalty may be assessed for each violation and shall be in addition to any liability or penalty imposed under any other law.

**Section 116655. Orders states:**

- (a) Whenever the state board determines that any person has violated or is violating this chapter, or any order, permit, regulation, or standard issued or adopted pursuant to this chapter, the state board may issue an order doing any of the following:
- (1) Directing compliance forthwith.
  - (2) Directing compliance in accordance with a time schedule set by the state board.
  - (3) Directing that appropriate preventive action be taken in the case of a threatened violation.
- (b) An order issued pursuant to this section may include, but shall not be limited to, any or all of the following requirements:
- (1) That the existing plant, works, or system be repaired, altered, or added to.
  - (2) That purification or treatment works be installed.
  - (3) That the source of the water supply be changed.
  - (4) That no additional service connection be made to the system.
  - (5) That the water supply, the plant, or the system be monitored.
  - (6) That a report on the condition and operation of the plant, works, system, or water supply be submitted to the state board.

**Section 116701. Petitions to Orders and Decisions states:**

- (a)
- (1) Within 30 days of issuance of an order or decision under authority delegated to an officer or employee of the state board under Article 8 (commencing with Section 116625) or Article 9 (commencing with Section 116650), an aggrieved person may petition the state board for reconsideration.
  - (2) Within 30 days of issuance of an order or decision under authority delegated to an officer or employee of the state board under Section 116540, the applicant may petition the state board for reconsideration.
  - (3) Within 30 days of final action by an officer or employee of the state board acting under delegated authority, the owner of a laboratory that was the subject of the final action may petition the state board for reconsideration of any of the following actions:
    - (A) Denial of an application for certification or accreditation under Section 100855.
    - (B) Issuance of an order directing compliance under Section 100875.
    - (C) Issuance of a citation under Section 100880.
    - (D) Assessment of a penalty under subdivision (e) of Section 100880.
- (b) The petition shall include the name and address of the petitioner, a copy of the order or decision for which the petitioner seeks reconsideration, identification of the reason the petitioner alleges the issuance of the order was inappropriate or improper, the specific action the petitioner requests, and other information as the state board may prescribe. The petition shall be accompanied by a statement of points and authorities of the legal issues raised by the petition.
- (c) The evidence before the state board shall consist of the record before the officer or employee who issued the order or decision and any other relevant evidence that, in the judgment of the state board, should be considered to implement the policies of this chapter. The state board may, in its discretion, hold a hearing for receipt of additional evidence.
- (d) The state board may refuse to reconsider the order or decision if the petition fails to raise substantial issues that are appropriate for review, may deny the petition upon a determination that the issuance of the order or decision was appropriate and proper, may set aside or modify the order or decision, or take other appropriate action. The state board's action pursuant to this subdivision shall constitute the state board's completion of its reconsideration.
- (e) The state board, upon notice and hearing, if a hearing is held, may stay in whole or in part the effect of the order or decision subject to the petition for reconsideration.
- (f) If an order or decision is subject to reconsideration under this section, the filing of a petition for reconsideration is an administrative remedy that must be exhausted before filing a petition for writ of mandate under Section 100920.5 or 116700.

**California Code of Regulations (CCR), Title 22:**

**Section 64554 New and Existing Source Capacity states:**

- (a) At all times, a public water system's water source(s) shall have the capacity to meet the system's maximum day demand (MDD). MDD shall be determined pursuant to subsection (b).
- (1) For systems with 1,000 or more service connections, the system shall be able to meet four hours of peak hourly demand (PHD) with source capacity, storage capacity, and/or emergency source connections.
  - (2) For systems with less than 1,000 service connections, the system shall have storage capacity equal to or greater than MDD, unless the system can demonstrate that it has an additional source of supply or has an emergency source connection that can meet the MDD requirement.
  - (3) Both the MDD and PHD requirements shall be met in the system as a whole and in each individual pressure zone.
- (b) A system shall estimate MDD and PHD for the water system as a whole (total source capacity and number of service connections) and for each pressure zone within the system (total water supply available from the water sources and interzonal transfers directly supplying the zone and number of service connections within the zone), as follows:

## Compliance Order No. 05-13-18R-002

(1) If daily water usage data are available, identify the day with the highest usage during the past ten years to obtain MDD; determine the average hourly flow during MDD and multiply by a peaking factor of at least 1.5 to obtain the PHD.

(2) If no daily water usage data are available and monthly water usage data are available:

(A) Identify the month with the highest water usage (maximum month) during at least the most recent ten years of operation or, if the system has been operating for less than ten years, during its period of operation;

(B) To calculate average daily usage during maximum month, divide the total water usage during the maximum month by the number of days in that month; and

(C) To calculate the MDD, multiply the average daily usage by a peaking factor that is a minimum of 1.5; and

(D) To calculate the PHD, determine the average hourly flow during MDD and multiply by a peaking factor that is a minimum of 1.5.

(3) If only annual water usage data are available:

(A) Identify the year with the highest water usage during at least the most recent ten years of operation or, if the system has been operating for less than ten years, during its years of operation;

(B) To calculate the average daily use, divide the total annual water usage for the year with the highest use by 365 days; and

(C) To calculate the MDD, multiply the average daily usage by a peaking factor of 2.25.

(D) To calculate the PHD, determine the average hourly flow during MDD and multiply by a peaking factor that is a minimum of 1.5.

(4) If no water usage data are available, utilize records from a system that is similar in size, elevation, climate, demography, residential property size, and metering to determine the average water usage per service connection. From the average water usage per service connection, calculate the average daily.

# Appendix 2

---

**APPENDIX 2: QUARTERLY PROGRESS REPORT**

Water System: Sheep Creek Water Company	Water System No: 3610109
Compliance Order No: 05-13-18R-002	Violation: <b>Source Capacity</b>
Calendar Quarter:	Date:

This form should be prepared and signed by System personnel with appropriate authority to implement the directives of the Compliance Order and the Corrective Action Plan. Please attach additional sheets as necessary. The quarterly progress report must be submitted by the 10th day of each subsequent quarter, to the Division of Drinking Water, District 13 Office to the following email address: 464 W 4th Street, Room 437 San Bernardino, CA 92401.

**Summary of Compliance Plan:**

**Tasks completed in the reporting quarter:**

**Tasks remaining to complete:**

**Anticipated compliance date:**

\_\_\_\_\_  
**Printed Name**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Date**



# Appendix 3

---



# Sheep Creek Water Company

(System No. 3610109)

## Production and Source Capacity Records

January 2012- July 2018

**10-year (2008 to 2017) MDD Source Capacity Evaluation for Sheep Creek Water Company (3610109)**

Parameter:		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Production</b>	Max Day (MG)	n/a	1.83	1.68	1.9	1.78	1.76	2.09	1.14	1.54	1.06
	Date	Not	Aug-12th	Jul-25th	Jun-6th	Aug-26th	Jul-13th	Jul-4th	Aug-8th	June-30th	June-30th
	Max Month (MG)	Reported	36.35		35.05	39.15	38.96	39.81	29.49	35.7	25.49
	Date		Aug.	July	July	August	July	July	August	August	August
	Annual (MG)		279.21	264.84	270.34	304.3	333.38	330.16	260.24	252.51	223.5
<b>Purchased</b>	Max Day (MG)	n/a	0	0	0	0	0	0	0	0	0
	Date	Not	-	-	-	-	-	-	-	-	-
	Max Month (MG)	Reported	0	0	0	0	0.08	0	0	4.06	0
	Date		-	-	-	-	-	-	-	-	-
	Annual (MG)		0	0	0	0	0.08	0	0	4.64	0
<b>Sold</b>	Max Day (MG)	n/a	0.6	0	0	0	0	0	0	0	0
	Date	Not	Aug-11th	-	-	-	-	-	-	-	-
	Max Month (MG)	Reported	2.6	0	0	0	0.92	0	0.25	0	0
	Date		August	-	-	-	June	-	-	-	-
	Annual (MG)		2.6	0	0	0	0.92	0	0.41	0	0
<b>Daily Basis</b>	Max Day Demand (MDD)	n/a	1.23	1.68	1.9	1.78	1.76	2.09	1.14	1.54	1.06
	Avg. Hr Flow		0.05	0.07	0.08	0.07	0.07	0.09	0.05	0.06	0.04
	PHD = Avg. Hr x 1.5		0.08	0.11	0.12	0.11	0.11	0.13	0.07	0.10	0.07
	Annual Demand	n/a	276.61	264.84	270.34	304.3	332.54	330.16	259.83	257.15	223.5
<b>Yearly Basis</b>	Avg. Daily Usage		0.76	0.73	0.74	0.83	0.91	0.90	0.71	0.70	0.61
	MDD = Avg. Daily*2.25(MDD)		1.71	1.63	1.67	1.88	2.05	2.04	1.60	1.59	1.38
	Peak Hourly Demand (PHD)		0.11	0.10	0.10	0.12	0.13	0.13	0.10	0.10	0.09

**DEMAND:**

Maximum Day Demand (MDD) **2.09** MG      Production+Purchased-Sold= Demand  
 Based on Year Basis  
 Lowest 10-year MDD:      1.06 MG

**PRODUCTION:**

Source	Capacity (gpm)	Comments
Well 2A	30	Based on July 2018 production records
Well 3A	25	
Well 4A	60	
Well 5	124	
Well 8	141	
Tunnel	122	

**Active Interconnections**

None

**Emergency Interconnections**

Phelan Pinon Hills CSD (3610120)      excluded from calculations, not permitted as a permanent interconnection

**Surface Water**

None

**Production Summary**

Sources	502
Interconne	0
<b>Total</b>	502 gpm 0.72 MGD

**ANALYSIS:**

	Value	Units	Comments
Total Source Capacity	<b>0.72</b>	MGD	Net Interconnections+GW+SW
Total Storage Capacity	<b>6.12</b>	MGD	

**Maximum Daily Demand (Section 64554)**

Maximum Daily Demand (MDD)	<b>2.09</b>	MGD
	<b>1451</b>	gpm
Is Source Capacity alone > MDD?	<b>NO</b>	
Does Source Capacity meet lowest 10-year MDD?	<b>NO</b>	

Peak Hourly Demand (Section 64554)

PHD	0.13	MG/hr	
4 hours PHD	0.52	MG	
Source Capacity	0.03	MG/hr	
Storage Capacity	0.13	MG/hr	Assume: 50% of storage will be available during PHD
Emergency Connections	-	MG/hr	
Sum of Storage & Sources	0.16	MG/hr	
4 hrs of Storage, & Sources	0.63	MG	
Is Sum of Storage & Sources >PHD?	YES		

Reliability of Source Capacity

Can MDD be met with highest source offline?

AVERAGE GALLONS PER MINUTE  
7 YEAR RECAP

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
<b>2018</b>												
Tunnel	131	129	127	125	125	124	122					
Well # 2A	0	150	175	135	125	55	30					
Well # 3A	115	211	122	195	166	33	25					
Well # 4A	199	213	251	194	156	99	60					
Well # 5	286	289	278	279	269	278	124					
Well # 8	320	337	337	317	284	205	141					
<b>TOTAL G</b>	<b>1,051</b>	<b>1,317</b>	<b>1,309</b>	<b>1,245</b>	<b>1,125</b>	<b>794</b>	<b>502</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>-35%</b>	<b>-40%</b>	<b>-43%</b>	<b>-48%</b>	<b>-45%</b>	<b>-11%</b>	<b>66%</b>	<b>58%</b>	<b>17%</b>	<b>6%</b>	<b>-28%</b>	<b>-37%</b>
<b>2017</b>												
Tunnel	147	145	147	148	147	147	143	140	137	136	136	134
Well # 2A	214	274	0	0	0	50	50	50	107	107	0	0
Well # 3A	330	330	345	295	301	280	180	143	115	115	115	115
Well # 4A	370	333	333	253	253	200	200	144	115	130	154	184
Well # 5	353	372	372	355	353	353	280	257	238	244	258	275
Well # 8	333	361	367	358	350	342	310	278	256	266	288	308
<b>TOTAL G</b>	<b>1,747</b>	<b>1,815</b>	<b>1,564</b>	<b>1,409</b>	<b>1,404</b>	<b>1,372</b>	<b>1,163</b>	<b>1,012</b>	<b>968</b>	<b>998</b>	<b>951</b>	<b>1,016</b>
<b>2016</b>												
Tunnel	184	182	177	176	170	168	165	162	159	157	154	150
Well # 2A	381	500	559	534	468	213	44	38	38	45	111	167
Well # 3A	537	646	530	610	610	225	28	31	90	114	183	286
Well # 4A	729	556	478	439	439	193	94	52	132	157	267	333
Well # 5	461	468	463	471	438	381	120	163	192	218	305	353
Well # 8	458	476	438	433	444	365	248	194	217	254	297	326
<b>TOTAL G</b>	<b>2,680</b>	<b>3,001</b>	<b>2,723</b>	<b>2,727</b>	<b>2,569</b>	<b>1,545</b>	<b>699</b>	<b>640</b>	<b>828</b>	<b>945</b>	<b>1,317</b>	<b>1,615</b>
<b>2015</b>												
Tunnel	256	253	248	203	203	214	210	204	201	196	193	189
Well # 2A	0	749	625	573	533	537	524	491	418	417	439	479
Well # 3A	693	680	678	705	682	641	631	613	591	586	594	583
Well # 4A	883	905	818	759	881	697	639	639	625	625	625	875
Well # 5	551	551	547	537	513	497	488	471	451	452	459	460
Well # 8	463	454	465	460	444	467	467	333	361	361	333	405
<b>TOTAL G</b>	<b>2,846</b>	<b>3,592</b>	<b>3,381</b>	<b>3,226</b>	<b>3,226</b>	<b>3,053</b>	<b>3,017</b>	<b>2,751</b>	<b>2,647</b>	<b>2,637</b>	<b>2,643</b>	<b>2,991</b>
<b>2014</b>												
Tunnel	303	299	294	291	287	283	279	276	273	268	265	260
Well # 2A	1,156	1,156	1,156	1,148	1,015	985	886	733	688	630	0	0
Well # 3A	617	617	617	641	706	685	664	652	619	637	657	679
Well # 4A	883	883	898	919	882	851	772	903	667	667	760	760
Well # 5	317	317	326	326	259	259	258	310	301	306	0	0
Well # 8	505	506	499	496	485	471	450	463	406	459	438	438
<b>TOTAL G</b>	<b>3,781</b>	<b>3,778</b>	<b>3,790</b>	<b>3,821</b>	<b>3,634</b>	<b>3,534</b>	<b>3,309</b>	<b>3,337</b>	<b>2,954</b>	<b>2,967</b>	<b>2,120</b>	<b>2,137</b>
<b>2013</b>												
Tunnel	370	363	356	350	344	339	332	329	323	318	315	306
Well # 2A	1,264	1,291	1,289	1,275	1,256	1,230	1,203	1,186	1,186	1,156	1,156	1,156
Well # 3A	889	889	889	889	730	717	702	694	694	636	636	636
Well # 4A	917	917	917	917	917	917	875	887	881	887	889	898
Well # 5	333	333	333	333	333	318	314	311	320	313	313	313
Well # 8	529	540	534	534	534	534	485	478	474	475	475	503
<b>TOTAL G</b>	<b>4,302</b>	<b>4,333</b>	<b>4,318</b>	<b>4,298</b>	<b>4,114</b>	<b>4,055</b>	<b>3,911</b>	<b>3,885</b>	<b>3,878</b>	<b>3,785</b>	<b>3,793</b>	<b>3,812</b>
<b>2012</b>												
Tunnel	304	310	319	329	352	355	403	411	415	404	396	384
Well # 2A	0	0	0	0	0	0	0	0	1,224	1,175	1,265	1,271
Well # 3A	711	721	722	725	707	680	679	679	679	679	679	679
Well # 4A	818	818	818	881	878	846	838	829	829	829	829	829
Well # 5	197	197	197	222	222	222	257	300	319	319	325	325
Well # 8	491	491	491	500	511	503	489	468	468	468	468	468
<b>TOTAL G</b>	<b>2,521</b>	<b>2,537</b>	<b>2,547</b>	<b>2,657</b>	<b>2,670</b>	<b>2,606</b>	<b>2,680</b>	<b>2,687</b>	<b>3,934</b>	<b>3,860</b>	<b>3,962</b>	<b>3,956</b>

Nov- Pump Pulled

Oct- Pump Pulled

Well Pulled 11-17



2018		PRODUCTION 5 - YEAR RECAP												TOTAL		
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	TOTAL	
Tunnel Well # 2A Well # 3A Well # 4A Well # 5 Well # 8 PPHCS		5,879,088	5,204,909	5,674,180	5,425,987	5,983,000	5,362,000	5,450,000	5,482,000	5,865,000	5,980,774	5,865,005	5,980,774	38,582,174	5,158,045	
		-97%	-20%	-41%	-35%	-41%	-45%	-48%	-36%	-48%	-31%	-22%	-7%	118.39	118.39	
		0	0	238,000	1,682,000	17,000	184,000	2,142,000	184,000	10,000	0	0	0	0	569,920	13.08
		123,000	157,000	295,000	1,458,000	2,316,000	74,000	10,000	10,000	0	282,000	2,081,000	864,000	0	266,043	6.11
		3,559,000	4,031,000	3,129,000	5,518,000	6,216,000	6,487,000	6,487,000	6,487,000	6,487,000	6,487,000	6,487,000	6,487,000	37,325,000	595,722	13.67
		3,971,000	4,511,000	3,531,000	5,312,000	3,966,000	6,427,000	6,427,000	6,427,000	6,427,000	6,427,000	6,427,000	6,427,000	34,057,000	4,989,973	114.53
		0	0	0	0	0	0	0	0	0	0	0	0	0	4,553,075	104.50
		13,903,909	12,838,130	19,555,987	19,448,858	21,555,043	22,626,000	25,494,805	24,433,850	21,615,982	19,475,091	16,279,005	15,399,779	223,766,772	23,915,344	686.61
		1,899,103	1,958,911	1,716,338	2,614,437	2,572,861	2,633,989	2,727,540	0	0	0	0	0	0	120,673,174	16,132,777
		41.52	42.66	39.35	60.01	59.05	65.04	62.60	0.00	0.00	0.00	0.00	0.00	0.00	120.67	370.28
		-18%	-15%	-16%	-11%	-15%	-17%	-20%	-14%	0%	9%	5%	19%			Total Reduction= 3%
		6,470,115	6,980,915	6,590,203	6,468,984	6,579,043	6,284,013	6,397,805	6,255,850	5,989,982	6,108,091	5,885,005	5,989,982	74,930,772	10,017,483	229.92
		-27%	-32%	-38%	-31%	-33%	-41%	-35%	-36%	-34%	-31%	-22%	-7%	291,000	38,904	0.89
	18,000	23,000	0	0	19,000	169,000	36,000	10,000	0	0	0	0	0	0	0	0
	3,727,000	6,796,000	7,405,000	6,194,000	6,006,000	5,728,000	4,984,000	2,496,000	2,485,000	2,862,000	2,081,000	0	0	45,073,000	6,025,802	138.30
	439,000	45,000	0	279,000	37,000	47,000	403,000	1,203,000	9,000	2,397,000	3,952,000	4,054,000	5,414,439	1,043,316	23.95	
	62,000	29,000	0	100,000	2,697,000	4,115,000	6,412,000	7,334,000	6,333,000	5,162,000	4,341,000	4,521,000	55,168,000	7,375,401	169.27	
	26,000	26,000	1,662,000	5,444,000	6,327,000	6,284,000	7,282,000	7,135,000	6,390,000	5,498,000	4,341,000	0	0	0	0	
	10,844,115	11,769,915	15,687,203	18,485,984	21,555,043	22,626,000	25,494,805	24,433,850	21,615,982	19,475,091	16,279,005	15,399,779	223,766,772	23,915,344	686.61	
	1,448,748	1,573,518	2,097,220	2,471,388	2,895,059	3,024,866	3,408,396	3,266,557	2,889,837	2,603,622	2,176,338	2,058,794	2,233,777	29,915,344	32.49	
	33.27	36.12	48.14	56.72	66.45	69.43	78.23	74.97	66.33	59.76	49.95	47.25	0.00	223.77	6.48	
	-27%	-20%	-26%	-22%	-19%	-17%	-15%	-26%	-17%	-19%	-26%	-21%				
	8,211,082	7,599,067	7,907,083	7,593,998	7,591,925	7,261,013	7,365,800	7,221,859	6,873,984	6,987,946	6,655,005	6,717,874	87,896,434	11,762,882	269.98	
	-20%	-31%	-35%	-31%	-33%	-41%	-35%	-36%	-34%	-31%	-22%	-7%	21,013,000	2,809,225	64.48	
	16,000	27,000	3,393,000	4,281,000	6,731,000	3,965,000	3,066,000	124,000	0	3,000	0	0	0	0	0	
	29,000	31,000	35,000	1,692,000	4,498,000	10,991,000	4,110,000	1,216,000	101,000	17,000	11,000	12,000	0	2,919,920	67.02	
	48,000	35,000	30,000	43,000	28,000	2,832,000	3,095,000	1,504,000	220,000	17,000	16,000	18,000	0	7,948,000	1,062,567	24.39
	4,831,000	6,174,000	7,366,000	7,135,000	7,324,000	6,961,000	6,024,000	6,457,000	6,668,000	5,803,000	4,457,000	3,294,000	39,364,000	9,945,187	228.26	
	22,000	20,000	21,000	26,000	32,000	5,286,000	6,395,000	7,963,000	7,231,000	5,121,000	4,332,000	2,915,000	0	39,364,000	5,262,567	120.79
	13,157,082	13,888,067	18,754,083	20,770,398	26,205,925	35,796,013	32,016,630	28,541,859	27,944,946	25,477,074	22,897,874	21,957,874	257,189,434	34,383,614	789.17	
	1,866,628	2,507,230	4,785,628	4,280,284	3,503,466	4,280,284	3,815,757	2,698,527	2,399,057	2,069,118	1,732,588	0	0	26,571,9	267.98	
	40.37	42.61	57.55	63.73	80.41	109.84	87.58	86.53	55.06	47.49	39.76	39.76	0.00	257.19	7.98	
	-9%	-11%	-18%	-13%	-24%	-32%	-35%	-23%	-17%	-24%	-23%	-12%				
	11,454,624	10,236,038	11,993,219	8,772,192	9,099,854	9,244,800	9,410,112	9,105,500	8,674,960	8,768,169	8,335,872	8,424,907	112,610,937	15,054,938	345.54	
	-34%	-31%	-35%	-31%	-33%	-41%	-35%	-36%	-34%	-31%	-22%	-7%	46,152,000	6,170,053	141.61	
	4,305,000	291,000	614,000	833,000	1,922,000	3,333,000	2,845,000	5,311,000	4,918,000	1,695,000	410,000	28,000	0	26,875,000	3,606,283	82.77
	0	38,000	54,000	41,000	74,000	46,000	0	23,000	30,000	35,000	35,000	42,000	0	418,000	55,882	1.28
	545,000	4,458,000	6,169,000	8,059,000	7,484,000	6,712,000	7,850,000	7,245,000	6,688,000	6,012,000	5,418,000	17,000	0	9,840,909	225.87	
	197,300	38,100	136,700	22,100	40,000	28,000	0	6,000	13,000	13,000	12,000	0	0	523,200	69,947	1.61
	16,501,924	15,377,138	20,659,919	23,319,292	24,361,864	26,170,800	25,154,112	29,497,560	27,195,560	21,728,189	15,938,872	14,380,907	260,289,137	34,798,013	798.88	
	2,206,140	2,055,767	2,762,021	3,117,562	3,958,934	3,689,770	3,923,948	3,943,524	3,636,171	2,994,888	2,130,885	1,922,381	0	44,13	0.00	
	60.63	47.18	63.39	71.55	74.75	80.30	77.18	90.51	83.46	66.67	48.91	44.13	260.29	0.00		
	-1%	-1%	-2%	1%	1%	1%	1%	1%	1%	1%	1%	1%				
	13,535,027	12,058,089	13,130,856	12,582,000	12,798,000	12,226,896	12,471,077	12,305,016	11,772,864	11,942,996	11,467,008	11,593,901	147,873,730	19,769,215	453.74	
	-39%	-37%	-35%	-33%	-33%	-41%	-35%	-36%	-34%	-31%	-22%	-7%	43,259,000	5,783,289	132.74	
	39,000	124,000	0	0	6,516,000	10,510,000	13,486,000	10,647,000	1,792,000	143,000	0	0	0	94,260,000	12,601,604	285.23
	37,000	0	0	50,000	9,789,000	10,895,000	11,018,000	10,688,000	6,318,000	9,049,000	8,959,000	3,493,000	0	70,277,000	9,395,321	215.64
	53,000	0	2,521,000	6,205,000	1,619,000	1,185,000	1,441,000	1,057,000	8,972,000	1,192,000	0	0	24,245,000	3,241,310	74.39	
	154,000	4,590,000	6,169,000	8,059,000	7,484,000	6,712,000	7,850,000	7,245,000	6,688,000	6,012,000	5,418,000	17,000	0	9,840,909	225.87	
	4,820,900	5,362,900	4,790,000	7,061,200	1,936,100	819,200	1,412,500	609,000	3,197,300	2,819,800	1,171,000	0	0	34,019,900	4,548,115	104.39
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	18,628,927	17,420,999	21,734,856	26,064,200	32,668,100	35,836,095	39,860,577	35,412,016	33,355,164	27,270,786	21,907,008	15,066,901	325,043,630	43,455,031	997.37	
	2,450,688	2,333,011	2,905,725	3,643,530	4,387,393	4,764,164	5,329,954	4,734,227	4,458,979	3,645,827	2,928,744	2,016,985	0	325.04	0.00	
	57.16	53.46	66.69	79.98	100.24	109.35	122.31	108.56	102.34	83.68	67.22	46.29	43,455,031	0.00		
	-5%	-5%	-6%	-4%	-4%	-4%	-4%	-4%	-4%	-4%	-4%	-4%				
	16,543,984	14,634,950	15,890,947	15,116,112	15,385,088	14,683,808	14,853,067	14,983,882	13,964,832	14,208,912	13,624,848	13,662,072	177,212,102	23,691,457	543.76	
	-39%	-37%	-35%	-33%	-33%	-41%	-35%	-36%	-34%	-31%	-22%	-7%	94,260,000	12,601,604	285.23	
	16,000	1,100,000	8,556,000	11,600,000	16,524,000	19,624,000	16,880,000	16,880,000	16,880,000	652,000	0	0	0	33,482,000	4,477,540	102.77
	33,000	0	0	0	368,000	3,719,000	4,123,000	3,537,000	0	42,000	0	0	0	11,805,000	1,578,209	36.22
	8,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	1,400,300	1,522,000	782,200	0	0	412,000	501,000	347,000	637,000	199,000	0	0	2,104,000	281,283	6.46	
	18,091,884	17,266,950	25,225,147	26,716,112	32,257,088	38,431,808	38,982,067	38,357,382	37,623,632	28,471,712	20,822,848	16,369,172	333,563,802	44,592,754	1023.49	
	2,4															

CONSUMPTION 10-YEAR

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2018	14%	43%	-17%	-12%	-9%	-42%	-24%	-100%	-100%	-100%	-100%	-100%	
Consn'n CCF	15,360	14,461	12,701	18,206	22,082	24,730	27,000						
Consn'n GPM	257	268	213	315	370	428	452						192
Consn'n A.F.	35,262	33,198	29,157	41,796	50,892	56,772	61,983	0.000	0.000	0.000	0.000	0.000	0.000
Ave GPDPP	110,27104	110,978248	91,182041	130,70548	158,52588	183,4577	193,83409	0	0	0	0	0	978,954
2017	-18%	-41%	-17%	-9%	-39%	-27%	-27%	-15%	-16%	11%	2%	19%	-15%
Consn'n CCF	11,121	10,088	15,275	20,758	24,151	25,786	26,112	30,311	22,165	21,963	19,912	15,588	243,231
Consn'n GPM	186	187	256	359	405	446	438	508	384	368	345	261	345
Consn'n A.F.	25,531	23,159	35,066	47,653	55,443	59,196	59,945	69,585	50,885	50,420	45,713	35,785	558,381
Ave GPDPP	79,84039	72,423639	109,66031	149,02165	173,384	185,11993	187,46068	217,60869	159,1277	157,67493	142,95342	111,90702	145,515
2016	-25%	10%	3%	-26%	-21%	11%		-17%	-28%	-35%	0%	-19%	-16%
Consn'n CCF	13,498	17,144	20,915	22,752	29,188	42,373	35,594	35,657	26,381	19,859	19,429	13,103	295,892
Consn'n GPM	226	318	350	394	489	734	596	597	457	333	336	220	421
Consn'n A.F.	30,986	39,356	48,014	52,232	67,007	97,274	81,712	81,857	60,561	45,589	44,504	30,081	679,274
Ave GPDPP	96,901074	123,0758	150,15207	163,3402	209,54503	304,19796	255,53169	255,98606	189,389	142,56712	139,48591	94,070633	177,020
2015				-4%	-27%	-20%	-33%	-27%	-9%	-18%	-8%	11%	-15%
Consn'n CCF	15,686	15,711	20,472	29,631	26,759	30,807	30,067	31,370	33,365	25,346	18,042	17,975	295,231
Consn'n GPM	263	291	343	513	448	533	504	526	578	425	312	301	420
Consn'n A.F.	36,010	36,068	46,997	68,023	61,430	70,723	69,025	72,015	76,596	58,187	41,418	41,266	677,757
Ave GPDPP	112,61029	112,79422	146,96957	212,72352	192,10615	221,16724	215,85778	225,2065	239,53237	181,96248	129,52236	129,04811	176,625
2014													
Consn'n CCF	17,899	18,812	18,885	30,747	35,306	39,612	46,285	35,211	38,411	33,592	20,749	19,044	354,552
Consn'n GPM	300	349	316	532	592	686	776	590	665	563	359	319	504
Consn'n A.F.	41,091	43,187	43,353	70,585	81,051	90,937	106,256	80,833	88,180	77,117	47,632	43,719	813,941
2013													
Consn'n CCF	17,965	15,582	20,215	30,811	36,733	38,221	44,989	43,058	36,655	30,752	19,423	16,096	350,501
Consn'n GPM	301	289	339	533	616	662	754	721	635	515	336	270	498
Consn'n A.F.	41,242	35,771	46,408	70,732	84,327	87,743	103,281	98,848	84,149	70,598	44,588	36,952	805
2012													
Consn'n CCF	15,541	16,894	20,272	19,552	39,647	36,242	44,216	41,956	31,268	28,645	20,721	15,028	329,982
Consn'n GPM	260	313	340	339	664	628	741	703	541	480	359	252	468
Consn'n A.F.	36	39	47	45	91	83	102	96	72	66	48	34	758
2011													
Consn'n CCF	15,076	13,553	17,061	20,126	28,968	36,990	35,866	42,149	34,486	28,970	22,109	14,483	309,836
Consn'n GPM	253	251	286	348	485	640	601	706	597	485	383	243	440
Consn'n A.F.	35	31	39	46	67	85	82	97	79	67	51	33	711
2010													
Consn'n CCF	14,233	13,314	14,700	20,220	25,677	36,639	38,204	41,414	36,846	22,271	20,503	14,588	298,609
Consn'n GPM	238	247	246	350	430	634	640	694	638	373	355	244	424
Consn'n A.F.	33	31	34	46	59	84	88	95	85	51	47	33	686
2009													
Consn'n CCF	15,040	13,018	16,441	26,407	31,435	31,679	42,682	36,142	36,308	28,987	20,572	17,769	316,460
Consn'n GPM	252	242	275	457	527	549	715	606	629	486	356	298	449
Consn'n A.F.	35	30	38	61	72	73	98	83	83	67	47	41	726



# SHEEP CREEK WATER COMPANY

WELL #2A Monthly Water Levels / 2 years



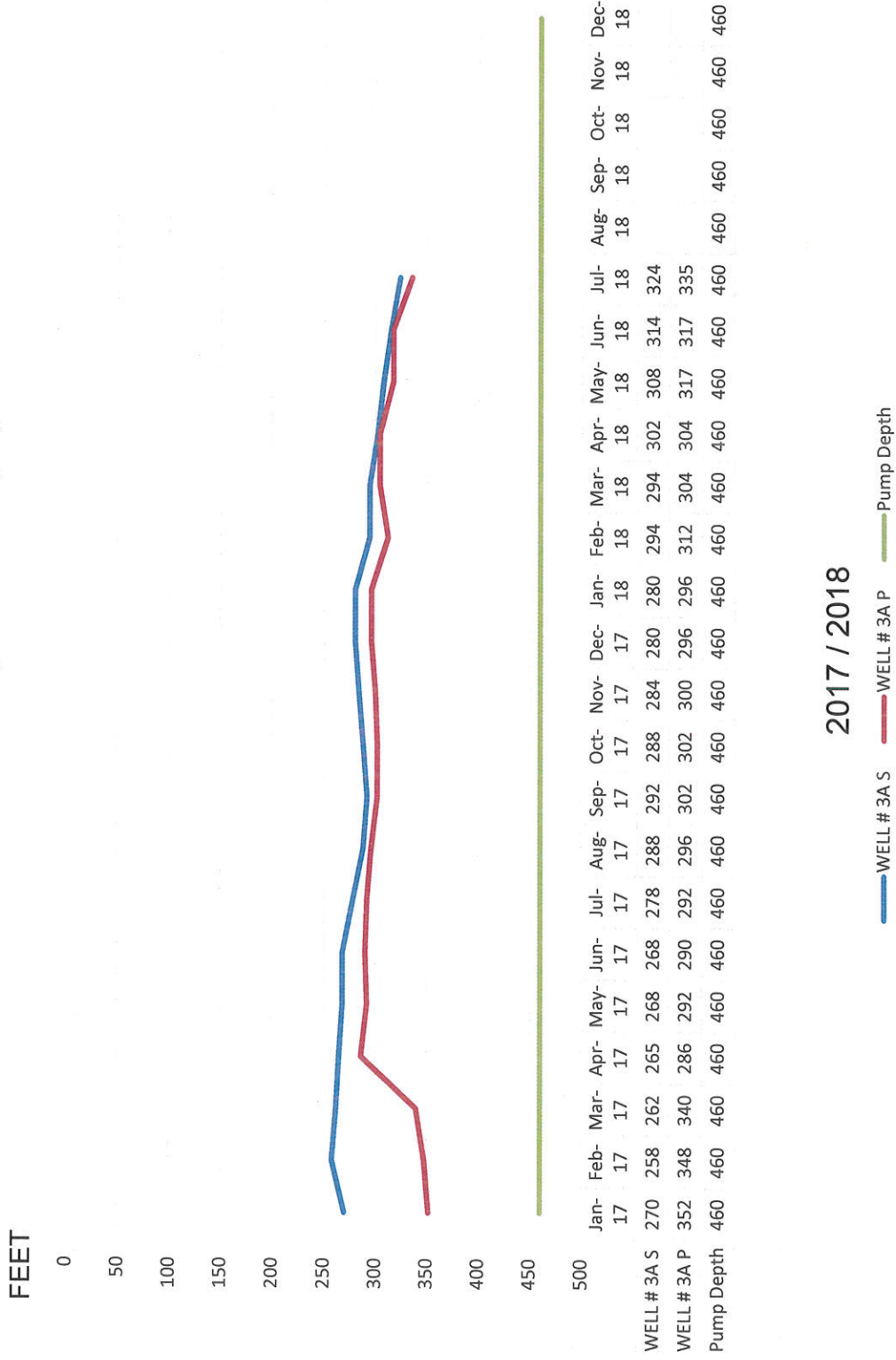
2017 / 2018

— WELL 2A S — WELL 2A P — PUMP DEPTH



# SHEEP CREEK WATER COMPANY

## WELL #3A Monthly Water Levels / 2 years

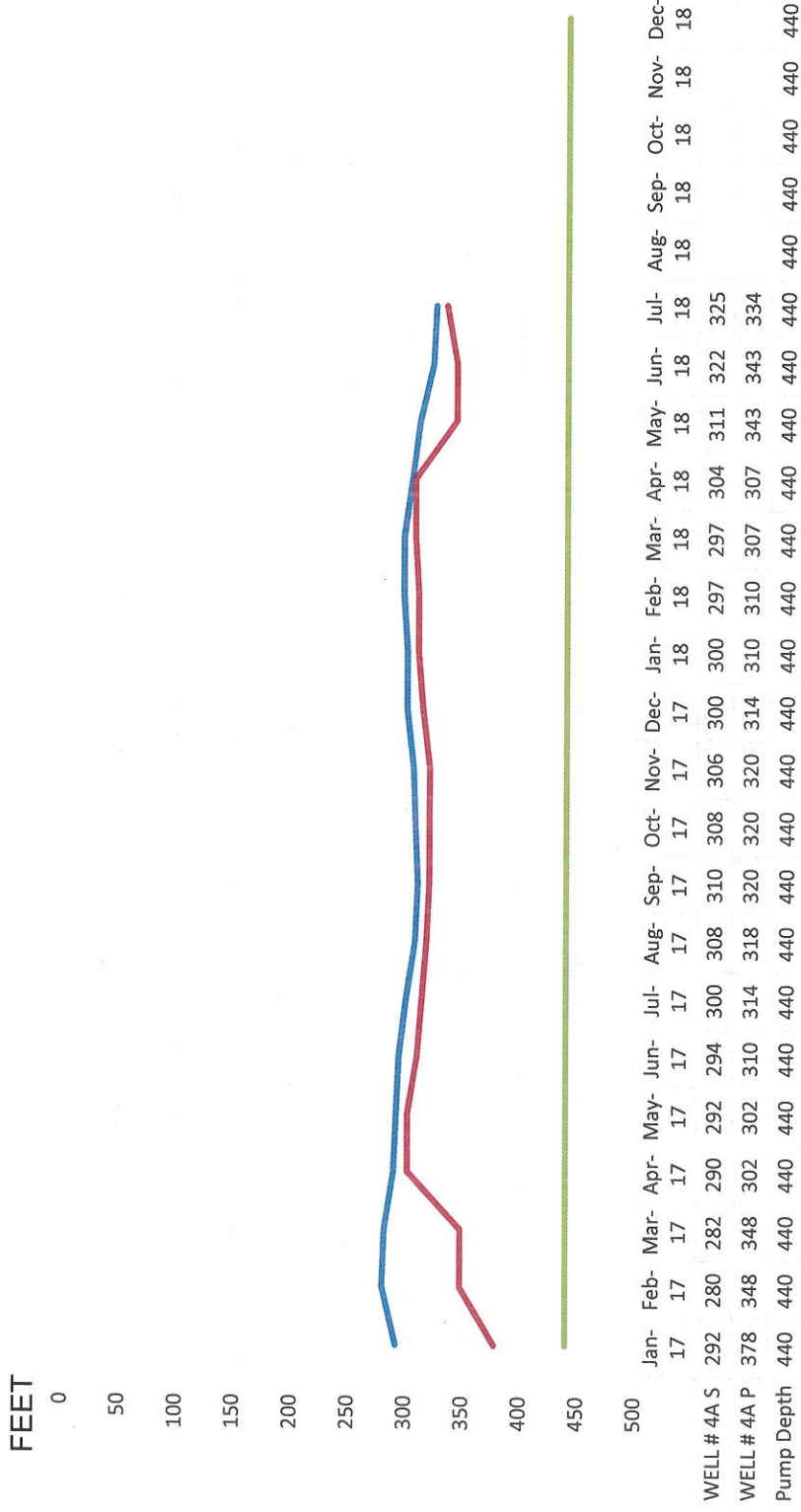


2017 / 2018

— WELL # 3A S    
 — WELL # 3A P    
 — Pump Depth

# SHEEP CREEK WATER COMPANY

WELL #4A Monthly Water Levels / 2 years

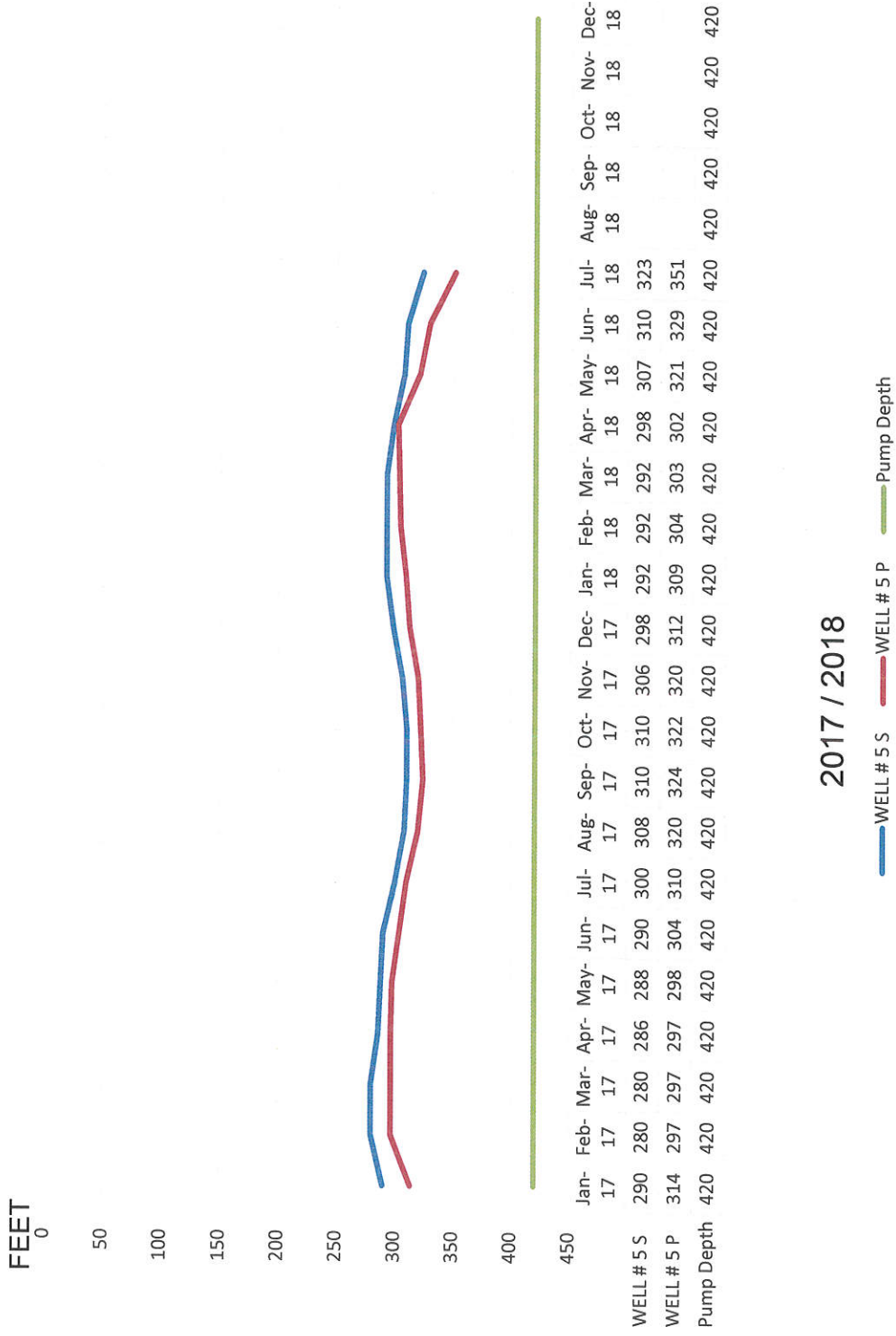


2017 / 2018

— WELL # 4A S — WELL # 4A P — Pump Depth

# SHEEP CREEK WATER COMPANY

## WELL #5 Monthly Water Levels / 2 years

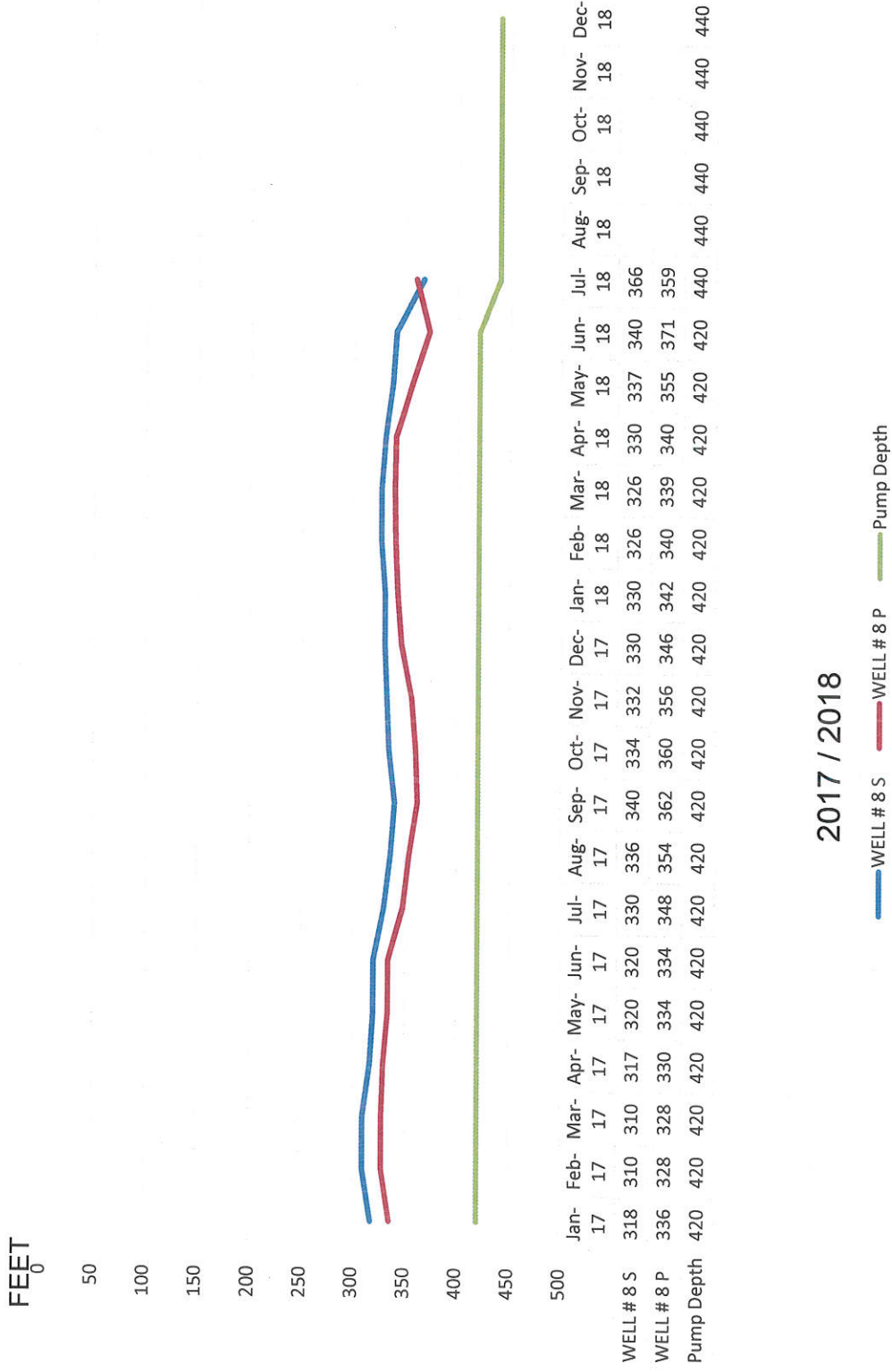


2017 / 2018

— WELL # 5 S    
 — WELL # 5 P    
 — Pump Depth

# SHEEP CREEK WATER COMPANY

WELL #8 Monthly Water Levels / 2 years

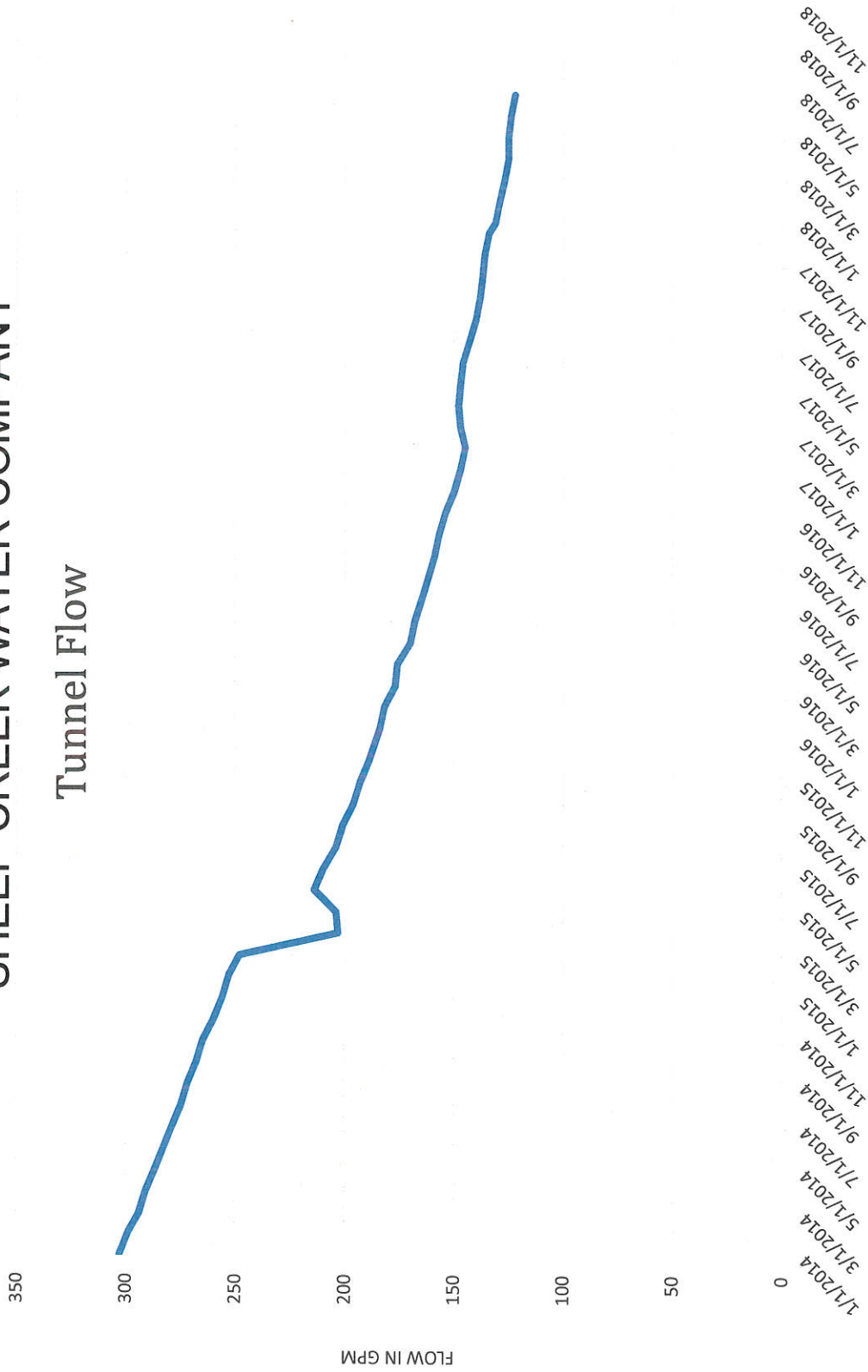


2017 / 2018

— WELL # 8 S — WELL # 8 P — Pump Depth

# SHEEP CREEK WATER COMPANY

## Tunnel Flow



# Appendix 4

---

**Kaur, Amy**

---

**From:** Chris Cummings <sheepcreek@verizon.net>  
**Sent:** Wednesday, August 22, 2018 2:51 PM  
**To:** Cazares, Hector I.@Waterboards; Zuniga, Eric@Waterboards  
**Cc:** swright@pphcsd.org  
**Subject:** Re: Sheep Creek Water Company Update

Hector,

An update to the first email, per the Water Exchange Agreement with Phelan Pinon Hills Community Service District, Sheep Creek Water is notifying the State Water Resources Board of an impending water production shortage. At this time we will continue to purchase water from PPHCSD.

I will send updated production records this afternoon after I receive updated pumping levels.

Thank You,

Chris Cummings  
Sheep Creek Water Company  
(760) 559-7956

-----Original Message-----

From: Cazares, Hector I.@Waterboards <Hector.Cazares@Waterboards.ca.gov>  
To: Chris Cummings <sheepcreek@verizon.net>; Zuniga, Eric@Waterboards <Eric.Zuniga@waterboards.ca.gov>  
Sent: Wed, Aug 22, 2018 2:34 pm  
Subject: RE: Sheep Creek Water Company Update

Hello Chris,

Thank you for the update. Please keep us posted as you proceed, and let us know if anything changes. Do you have updated production records available for this month that you could send us?

Best regards,  
Hector Cazares





**From:** Chris Cummings [<mailto:sheepcreek@verizon.net>]

**Sent:** Wednesday, August 22, 2018 2:25 PM

**To:** Cazares, Hector I.@Waterboards <[Hector.Cazares@Waterboards.ca.gov](mailto:Hector.Cazares@Waterboards.ca.gov)>; Zuniga, Eric@Waterboards <[Eric.Zuniga@waterboards.ca.gov](mailto:Eric.Zuniga@waterboards.ca.gov)>

**Cc:** [swright@pphcsd.org](mailto:swright@pphcsd.org)

**Subject:** Sheep Creek Water Company Update

Good Afternoon Hector and Eric,

This is an update of the current water status for Sheep Creek. We were able to get current static water levels on the wells Monday due to Edison turn of power. 3 of the wells have had an increase of 5 feet and 1 well has had an increase of 18 feet. Consumption has been showing a decrease.

On August 10th we began to receive water from Phelan Pinon Hills CSD at the Tank 6 Interconnect. As of this afternoon we have received just under 10 AF of water and are looking to continue receiving water. We should begin seeing a reduction in flow over the next week. If anything changes and we need to increase flow from PPHCSD I will let you know.

Thank You,

Chris Cummings  
Sheep Creek Water Company  
(760) 559-7956

# Appendix 5

---

**APPENDIX 3 – NOTIFICATION OF RECEIPT**

**Compliance Order Number:05-13-18R-002**

**Name of Water System:** Sheep Creek Water Company

**System Number:** 3610109

**Certification**

I certify that I am an authorized representative of the Sheep Creek Water Company and that Compliance Order No.05-13-18R-002 was received on \_\_\_\_\_. Further, I certify that the Order has been reviewed by the appropriate management staff of the Sheep Creek Water Company and it is clearly understood that Compliance Order No.05-13-18R-002 contains legally enforceable directives with specific due dates.

\_\_\_\_\_  
Signature of Water System Representative

\_\_\_\_\_  
Date

**THIS FORM MUST BE COMPLETED AND RETURNED TO THE STATE WATER BOARD,  
DIVISION OF DRINKING WATER, NO LATER THAN [September 20, 2018](#)**

**Disclosure:** Be advised that the California Health and Safety Code, Sections 116725 and 116730 state that any person who knowingly makes any false statement on any report or document submitted for the purpose of compliance with the Safe Drinking Water Act may be liable for, respectively, a civil penalty not to exceed five thousand dollars (\$5,000) for each separate violation or, for continuing violations, for each day that violation continues, or be punished by a fine of not more than \$25,000 for each day of violation, or by imprisonment in the county jail not to exceed one year, or by both the fine and imprisonment.

# Appendix C

**APPENDIX C**

Maximum Day Demand Estimation Calculation  
for Snowline Joint Unified School District

MDD = Maximum Day Demand  
MMD = Maximum Monthly Demand  
SCWC = Sheep Creek Water Company  
SUSD = Snowline Joint Unified School District

Assumption:

$$\frac{MDD(SCWC)}{MDD(SUSD)} = \frac{MMD(SCWC)}{MMD(SUSD)}$$

Using July 2014 demand of 1.78 MGD, with all services removed except elementary school:

Account #	Location	July 2014 Useage (cubic feet)
169 *	Elementry 1"	15978
578 *	Elementry 2"	69910
219 **	80 Acre SHS	22260
220 **	80 Acre SHS	23360
642 **	80 Acre 1" Spanish Hill	2620
646	80 Acre 1" 4" By-pass	35679
657	80 Acre 1" District Office	6992
997 **	80 Acre 2" Green House	10710
999	Chapperal	6080
1013	80 Acre 2" Maintenance	180
1014	80 Acre 2" Football	345300
1045	80 Acre 2" Curriculum	950
1064	80 Acre 2" Eagle Summit	120

\* not included in calculations

\*\* not served by SCWC

$$\frac{1.78 \text{ MGD}}{MDD(SUSD)} \cong \frac{1.29 \text{ MGD}}{0.11 \text{ MGD}}$$

$$MDD(SUSD) \cong 0.15 \text{ MGD}$$

Reduction in the 10-YR MDD without eleven (11) SUSD services is  $1.78 - 0.15 \cong 1.63 \text{ MGD}$

Similarly, without four (4) SUSD services:

$$\frac{1.78 \text{ MGD}}{MDD(SUSD)} \cong \frac{1.29 \text{ MGD}}{0.01 \text{ MGD}}$$

$$MDD(SUSD) \cong 0.01 \text{ MGD}$$

Reduction in the 10-YR MDD without four (4) SUSD services is  $1.78 - 0.01 \cong 1.77 \text{ MGD}$

# Appendix D

**Sheep Creek Water Company**  
**4200 Sunnyslope Rd.**  
**P.O. Box 291820**  
**Phelan, CA 92329-1820**  
**Office (760) 868-3755/Fax (760) 868-2174**  
**Email [sheepcreek@verizon.net](mailto:sheepcreek@verizon.net) / [www.sheepcreekwater.com](http://www.sheepcreekwater.com)**

December 27, 2018

Additional Items needed to be added to SWRCB Feasibility Report

- The State of California in 2015 required a cut of 25% and Sheep Creek Water Company has complied with this requirement and continues to meet the 25% plus additional.
- Sheep Creek Water Company has continued to cut water use every year since 2015
  - 20% - 38% reduction, each year the percentage of water use continues to be reduced.
- Water use is generally controlled by the allotment on the shares and the cost of the water.
- With the implementation of a tiered rate structure, water use will continue to remain within the production of the company.
  - Tier 1 rate includes water available at the Wrightwood Well Site.
  - Tier 2 rate includes water pumped within the MWA Alto Sub Area. This rate includes the MWA replacement cost.
  - Tier 3 rate is set at a much higher rate to continue to discourage water use and the rate includes funds to help pay the cost of additional water sources or upgrades to the existing water system.
- Water allotments will be adjusted monthly based on the pumping capacity at the Wrightwood Well Field.
  - New Allotment Schedule to be approved by Shareholders with lower allotments based on lower productions.
- With increased water rates in the additional Tier Rates, water use will continue to remain lower than normal
- Sheep Creek plans to keep water rates higher to help control water use.
- With the addition of up to 2 additional wells, this will be sufficient to maintain the current usage along with having a backup supply of water.
  - With the cost to produce the water out of the wells in the MWA Alto Sub Area, the usage will remain lower due to customers not willing to pay the higher water cost.
- If Grant Funding is unavailable, new wells will be funded with the following options with Shareholder approval
  - Temporary increase on service charge
  - Assessment on Shares
  - Tier 3 Overage rate includes assessment charge to fund additional improvements.
  - As growth continues, additional wells will be installed with the sale and installation of new services.
- Sheep Creek Plans for the new normal water use to remain similar to the current years water use.
- Possible completion of Well #10 with in the Los Angeles County.
  - Retest pump well to determine location of hexavalent chromium.
  - If Hexavalent Chromium can be removed, work with PPHCSD to wheel water through PPHCSD system at a determined rate per acre foot.