

**EXHIBIT 65**

**STATE WATER RESOURCES CONTROL BOARD**

THE PAUL R. BONDERSON BUILDING  
901 P STREET  
SACRAMENTO, CA 95814

Mailing Address  
**DIVISION OF WATER RIGHTS**  
P.O. BOX 2000, Sacramento, CA 95812-2000



(916) 657-0441  
FAX: (916) 657-1485

JULY 28 1995

In Reply Refer  
To: 342:SAW:29977

G. Scott Fahey  
40 Mesa Vista Drive  
Boise, ID 83705

Dear Mr. Fahey:

PERMIT 20784 (APPLICATION 29977) OF FAHEY, COTTONWOOD SPRING AND  
DEADWOOD SPRING IN TUOLUMNE COUNTY

Thank you for your June 20, 1995 letter offering a more detailed description of your proposed replacement water source(s). It was not clear from earlier correspondence that releases from Phoenix Lake would be imported water from the Stanislaus River. To the extent that imported water is released from Phoenix Lake into the Tuolumne River System specifically as replacement for water consumed in your proposed water bottling operation, we are satisfied that this part of your proposed agreement with Tuolumne Utility District (TUD) meets the intent of Condition 20 of Permit 20784.

We have, however, remaining concerns about your proposal to use runoff from snowmaking operations at Dodge Ridge Ski Area as replacement water. Assuming that water has been used for snowmaking purposes, the melt runoff has returned to, and has been a component of, the Tuolumne River System. We believe the intent of the permit condition requiring replacement water is to provide additional water not currently present in the Tuolumne River System. In this context, we feel that the melt runoff would not qualify as replacement water added to the current Tuolumne River System flows to offset your proposed use.

If you have any questions, please contact Scott Williams of my staff at (916) 657-1704.

Sincerely,

Handwritten signature of David R. Beringer in cursive script.

David R. Beringer  
Program Manager  
Investigation and  
Compliance Section

cc: Tuolumne Utilities District  
P.O. Box 3728  
Sonora, CA 95370