

**DIVISION OF WATER RIGHTS
REPORT OF INSPECTION**

Date of Inspection: 7-12-2015 deployment

Inspection Performed by: Samuel Cole (WRCE) and Michael Vella (ES), SWRCB

Persons Interviewed: None

Telephone: N/A

Ownership: G. Scott Fahey
c/o Sugar Pine Spring Water, LP
2787 Stony Fork Way
Boise, ID 83706

Water Right(s): A029977 (Permit 20784) and A031491 (Permit 21289)

Source(s): Unnamed spring (aka Cottonwood Spring) and Deadwood (Sugar Pine) Spring (A029977) and 2 unnamed springs (aka Marco and Polo Springs) (A031491)

Point of

Diversion: 4 Springs within sections 16 and 22 of Township 2N, Range 17E MDBM

Purpose of Use: Industrial Bottled Water Plants off premises

Amount: 44.82 acre-feet and 64.5 acre-feet per year respectively

Season of

Diversion: 01/01-12/31

Place of Use: Bottled water plant(s) off premises

Method(s) of

Diversion: Developed springs gravity feeding approx. 1 mile of pipeline, two 35,000 gallon tanks, rediverted by Tanker Trucks (40k gallon capacity?)

Compliance to

Terms and Conditions: In violation of Curtailment. Permit subject to availability of water, which has been curtailed in light of severe California Drought.

HISTORY

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On April 23, 2015, a notice of curtailment was mailed to G. Scott Fahey of Sugar Pine Spring Water, LP indicating that there is currently not enough water available within the critically dry watershed and that all diversions must be curtailed. At a later date, Division staff attempted to contact Mr. Fahey in an effort to obtain consent for and schedule a curtailment inspection of the facility. After multiple failed communication attempts, Division staff was able to make contact via telephone. Mr. Fahey indicated that he would be unavailable for inspection until after the summer season and indicated that diversions may still be taking place.

Review of Division files indicate that past and/or current customers may include Nestle Waters N.A., Inc. (bottling Arrowhead Spring Water in Livermore, CA), Absopure (bottling spring water in Modesto, CA under various brand names), DS Water (bottling Sierra Spring Water in Milpitas, CA), and Aquas (bottling Aquas Spring Water in Modesto, CA).

After discussion, it was decided that installation of surveillance equipment would be best suited for determining whether unauthorized diversions are taking place at the facility. If surveillance confirms that the trucking operation is still active, a Cease and Desist Order and Informational Order could be utilized to require the unauthorized diversions to stop. Additionally, the images obtained could be used for pursuing potential Administrative Civil Liability Complaints if violations of the water code are observed.

While the sources of water include 4 springs located throughout sections 16 and 22 of Township 2N, Range 17E MDBM, the waters are piped together and transported over 1 mile southwest to a transfer station located in section 30 where an overhead water truck loading station exists. This location consists of the overhead fill pipe and gravel turnabout that can accommodate the 40,000 gallon tractor trailers. The location does not appear to have an address; however the GPS coordinates are 38.002739, -120.152459 within Tuolumne County APN 052-060-48-00. The water is then bulk hauled to various bottling locations as described above to be put to beneficial use off of the parcel.

INSPECTION

On July 12, 2015 Division Staff performed a covert inspection of the facility as could best be accessed via public right of way. Due to surrounding properties all being privately owned, Division Staff were restricted to areas along the public right of way; Cottonwood Road. Upon initial arrival, staff noted visible tire dust tracks exiting the facility onto Cottonwood road, indicating the existence of recent, heavy activity.

The area was analyzed and three different surveillance camera locations were identified as viable for adequate data collection, given the restrictions of public access only. The locations selected include one at the base of a tree at the access road (Camera 1), one across Cottonwood road behind some rocks with a view down the facility access road (Camera 2) and one hanging from a tree branch along Cottonwood Road, north of the facility access road (Camera 3).

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All three cameras have different setting combinations for time lapse interval and quality/resolution so as to determine what will be the ideal settings for future deployments at this facility. Camera 1 is the camera located nearest the trucks and as such was given a time lapse interval of 5 seconds with "Image Quality" set to highest resolution. Other pertinent settings that remained constant with all three cameras included "Scene" set to Daylight, "HDR Range" set to High, "Time Stamp" On, "Low Light Recording" Off, and "LED Indicator" Off.

Camera 2, being situated across Cottonwood Road from Camera 1, is placed in an ideal location to see down the access road to the gate. Due to being set back some distance from the access road and being of the wide-angle lens type, details such as Logos and plates will likely be unable to be seen regardless of setting, so "Image Quality" was set to lowest resolution setting of "Good" to conserve storage capacity on the SD cards. Time lapse interval was set to 5 seconds to maximize the activity captured.

Camera 3 was primarily placed as a backup camera to watch the other cameras in the case of theft, to have a general overview of the facility and road in the case that activity was other than suspected, and as a means to mitigate potential interruptions in surveillance in the case that the other two cameras reached the data and/or battery limit. Camera 3 was set to conservative settings to maximize battery life and memory capacity at a time lapse duration of 10 seconds and "Image Quality" of Good.

All cameras were camouflaged with natural rocks, vegetation and/or camouflaged duct tape to the best extent possible and were set to record.

FINDINGS

None at this time.

CORRECTIVE ACTIONS:

None at this time.

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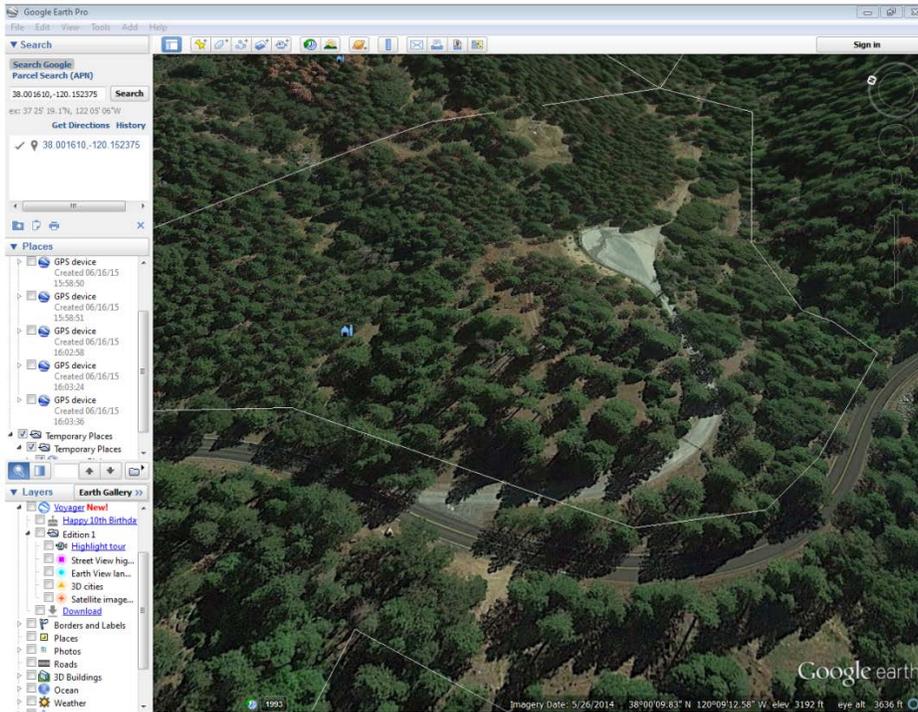


Photo 1 – Aerial image of the gravel round about and overhead filling station courtesy of Google Earth.

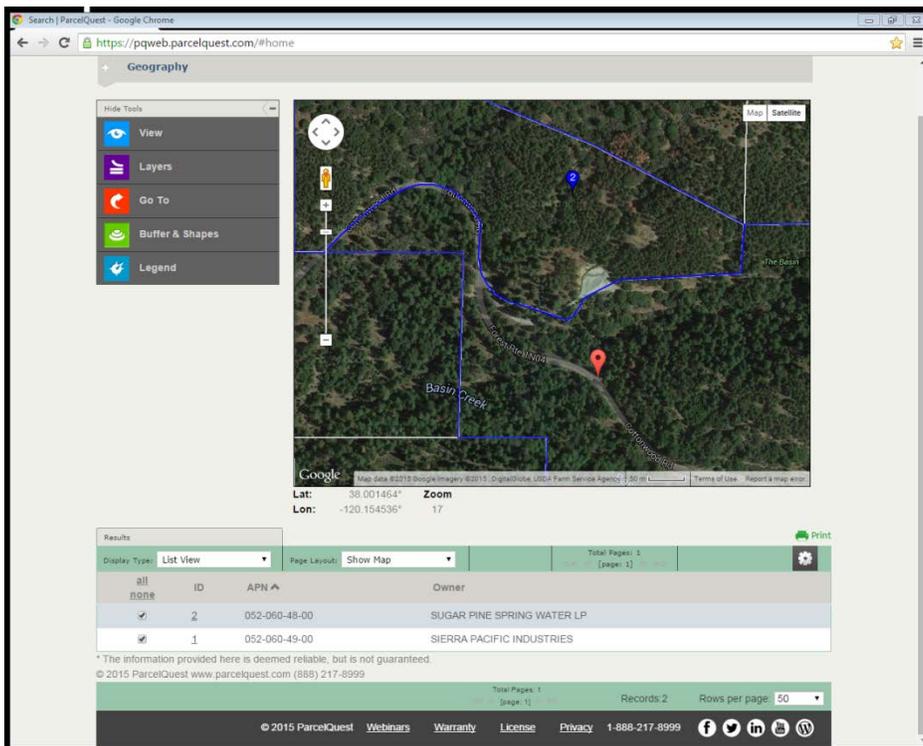


Photo 2 – Aerial image of Sugar Pine Spring Water LP parcel and surrounding parcels.

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Photo 3 – Photo from Cottonwood Road, showing tire marks leaving Facility access road.



Photo 4 – Photo from Facility Access road showing view north of Cottonwood Road.

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Photo 5 – Gate on Facility access road blocking access to Facility.



Photo 6 – Camera 1 location at base of tree on right.

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Photo 7 – Camera 2 located on rock next to bush across Cottonwood Road from facility.



Photo 8 – Camera 3 located off Cottonwood Road North of the facility access road.