

May 10, 2021

Arizona Department of Water Resources
Attn: Mr. David Keadle, Water Resource Specialist
Surface Water Permitting Unit, Water Planning & Permitting Division
1110 West Washington Street, Suite 310
Phoenix, AZ 85007

**RE: Application to Partially Sever and Transfer Certificate of Water Right No. 3696.002
(Application No. A-3906.003)**

Dear Mr. Keadle:

My name is Bryan Staley, newly sworn President of the Bonita Creek Water Company. I am in receipt of your March 16, 2021 letter of request for additional information regarding the above referenced partial application to sever and transfer water rights from Salt River Project to Bonita Creek Land and Homeowners' Association. Please be aware that the Bonita Creek Land and Homeowners' Association has amended its articles of incorporation, which included a change to the corporation's name to Bonita Creek Water Company (BCWC). I have been speaking at length with Mr. Rodney Held from SRP who has been assisting us through the application process and offer the following responses to your questions.

Item 5A:

1. Thank you for providing the annual water use report data for the years 1992 thru 1994. The data has been included in the attached Revised Table 1 spreadsheet.
2. As noted above Bonita Creek Land and Homeowners' Association amended its articles of incorporation, which included a change to the corporation's name to Bonita Creek Water Company. The new point of contact is Bryan Staley, President of the Board.

Item 5D:

1. Parcel Nos. 302-11-041 and 302-11-048 are not associated with roadways.
 - a. Parcel 302-11-041B is owned by Valerie Fogel and located adjacent to Antelope Trail. Ms. Fogel also owns adjacent Parcel 302-11-042C. The smaller parcel (041B) may be expanded into the larger parcel (042C) to accommodate multiple homes.
 - b. Parcel 302-11-048 is owned by Escobedo Bonita Successor Trustee and is located adjacent to N. Myrtle Point Trail.

2. There was an error in calculating the GPCD in the Revised Table 1 previously submitted. The calculation was inadvertently based upon the number of service connections rather than the estimated population. We apologize for the error. See responses a thru c for additional clarification.
 - a. The volume of total water withdrawn has been corrected in the attached Revised Table 1 spreadsheet to reflect 694,900 gallons for the year 2011.
 - b. BCWC has incorporated the data from Annual Water Use Reports from years 1992 thru 1994 and corrected the average annual amount withdrawn to reflect a total of 1,015,677 gallons in the Revised Table 1 spreadsheet.
 - c. BCWC has reviewed the spreadsheet that ADWR provided in its request for additional information as Attachment A. It does not appear that ADWR calculated the population projections for the years 1992 thru 2019 using a 60 percent occupancy rate. Please see BCWC's Revised Table 1 spreadsheet, which provides revised projections based on the Annual Water Use Reports from 1992 thru 2019. Based upon the updated data, the historical average GPCD is 52. BCWC believes the occupancy rate in its water service territory will increase to at least 75% as new homeowners move into the community. This belief is based upon exponential growth in the housing market in rural Arizona due to recent trends experienced during the pandemic. My background is residential Real Estate. I have practiced for 18 years full time and have been in the industry for over 30. The Arizona market, as you may know, is experiencing something we have never seen before, an influx and mass exodus of neighboring states for many reasons. This coupled with Covid, has helped create the unstable market demand and has further created a mass exodus of us here in the Phoenix area to move North. Most Northern areas, including Payson and its surrounding suburbs, have seen more growth in the last 3 years than ever before. And there are no signs of this slowing down but only getting worse. As the new President and property owner in Bonita Creek, I want to make sure that we have the necessary water supply to handle the current and future generations to come. I hope that you will take this into consideration when making your decision. With all of this in mind, assuming 148 service connections and a 75% occupancy rate (266 residents) at buildout, the total projected demand equates to 5,068,889 gallons or 15.56 acre-feet (Note: for calculation purposes in Revised Table 1, number of residents = 266.4 and GPCD = 52.129754). We believe that 52 GPCD is a very conservative water use estimate, and potentially underestimates the future build out water use, but we have tried to follow ADWR's guidance to provide this estimate.

Bonita Creek Water Company appreciates the opportunity to provide this additional information that we anticipate will allow the Department to resume its substantive review of the severance and transfer application. Thank you for your time and we look forward to hearing from you.

Best regards,

A handwritten signature in black ink, appearing to read 'B. Staley', with a stylized flourish at the end.

Bryan Staley

President

Bonita Creek Water Company

Attachments: Revised Table 1: Bonita Creek Water Company Annual Surface Water Withdrawals and Water Customer Deliveries

CC (via e-mail): Rodney Held, Salt River Project (rodney.held@srpnet.com)