

Searles Valley Minerals Inc. (Permittee)
Searles Domestic Water Company (A Wholly Owned Subsidiary)
2015 Consumer Confidence Report

June 24, 2016

We test the drinking water quality for many constituents as required by State and Federal Regulations. This report shows the results of our monitoring for the period of January 1 - December 31, 2015 and may include earlier monitoring data.

Este informe contiene información muy importante sobre su agua potable. Tradúzcalo ó hable con alguien que lo entienda bien.

Source of Drinking Water – All water delivered by the Searles Domestic Water Company (SDWC) to its customers is imported from five Searles Valley Minerals (SVM) owned wells in the Indian Wells Valley. These wells are known as Westend Wells #2 and #4; and Indian Wells #35, #36 and #30. Water is transported into Searles Valley through two 29-mile pipelines. A portion of this imported water is sold to SDWC for domestic use and the remainder is used by SVM for its manufacturing plants. The imported water is delivered, fully chlorinated, and is metered into our distribution system. In 2015 SDWC purchased 61 million gallons of water for domestic use.

Source Water Assessment – The State Water Resources Control Board (State Board) conducts Source Water Assessments for all drinking water sources across the state. The Source Water Assessment for the five SVM owned wells was conducted in 2002.

Groundwater sources in this system are considered most vulnerable to the following activities not associated with detected contaminants: automobile repair and body shops, gas stations, funeral services/graveyards, hotels/motels, schools, transportation corridors, automobile car washes, junk/scrap/salvage yards, injection wells/dry wells, sumps, sand/gravel mining. Groundwater sources in this system are considered most vulnerable to the following activities associated with contaminants detected in the water supply: high density housing, parks, high density septic systems.

A copy of the complete assessment may be viewed at the State Board San Bernardino District Office, Government Center 4th Floor, 464 West Fourth St. Suite 437, San Bernardino, CA 92401. You may request a summary be sent to you by contacting the State Board San Bernardino District Office (909) 383-4320. For more details contact Audrey Schuyler at (760) 372-5326.

TERMS USED IN THIS REPORT¹:

“Maximum Contaminant Level (MCL): The highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the PHGs (or MCLGs) as is economically and technologically feasible. Secondary MCLs are set to protect the odor, taste, and appearance of drinking water.” Levels above the MCL do not mean adverse health consequences will result from consumption of the water.

“Maximum Contaminant Level Goal (MCLG): The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs are set by the U.S. Environmental Protection Agency (USEPA).” Levels above the MCLG do not mean adverse health consequences will result from consumption of the water.

“Public Health Goal (PHG): The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.” Levels above the PHGs do not mean adverse health consequences will result from consumption of the water.

“Maximum Residual Disinfectant Level (MRDL): The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.” Levels above the MRDL do not mean adverse health consequences will result from consumption of the water.

“Maximum Residual Disinfectant Level Goal (MRDLG): The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.” Levels above the MRDLG do not mean adverse health consequences will result from consumption of the water.

“Primary Drinking Water Standards (PDWS): MCLs and MRDLs for contaminants that affect health along with their monitoring and reporting requirements, and water treatment requirements.” Levels above the PDWS do not mean adverse health consequences will result from consumption of the water.

“Secondary Drinking Water Standards (SDWS): MCLs for contaminants that affect taste, odor, or appearance of the drinking water. Contaminants with SDWSs do not affect the health at the MCL levels.” Levels above the SDWS do not mean adverse health consequences will result from consumption of the water.

“Treatment Technique (TT): A required process intended to reduce the level of a contaminant in drinking water.”

“Regulatory Action Level (AL): The concentration of a contaminant which, if exceeded, triggers treatment or other requirements that a water system must follow.” Levels above the AL do not mean adverse health consequences will result from consumption of the water.

Variations and Exemptions: Department permission to exceed an MCL or not comply with a treatment technique under certain conditions.

ND: not detectable at testing limit

ppm: parts per million or milligrams per liter (mg/L)

ppb: parts per billion or micrograms per liter (ug/L)

ppt: parts per trillion or nanograms per liter (ng/L)

pCi/L: picocuries per liter (a measure of radiation)

¹ SDWC is required by regulation to use certain terms defined at California Code of Regulations, Title 22, Section 64481, and denotes the use of those terms with quotation marks.

California Code of Regulations, Title 22, Section 64481 further provides: “The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.”

“Contaminants that may be present in source water include:

- *Microbial contaminants*, such as viruses and bacteria, that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- *Inorganic contaminants*, such as salts and metals, that can be naturally-occurring or result from urban storm water runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- *Pesticides and herbicides*, that may come from a variety of sources such as agriculture, urban storm water runoff, and residential uses.
- *Organic chemical contaminants*, including synthetic and volatile organic chemicals, that are byproducts of industrial processes and petroleum production, and can also come from gas stations, urban storm water runoff, agricultural application, and septic systems.
- *Radioactive contaminants*, that can be naturally-occurring or be the result of oil and gas production and mining activities.”

“In order to ensure that tap water is safe to drink, the USEPA and the State Board prescribe regulations that limit the amount of certain contaminants in water provided by public water systems. State Board regulations also establish limits for contaminants in bottled water that must provide the same protection for public health.”

The following tables list all of the drinking water substances that were detected during the most recent sampling for the constituent. The presence of these substances in the water does not necessarily indicate that the water poses a health risk. If you have a concern about the safety of your water, you should discuss it with your health professional and/or the USEPA or State Board officials. The State Board allows us to monitor for certain substances less than once per year because the concentrations of these substances do not change frequently. Some of the data, though representative of the water quality, are more than one year old.

SAMPLING RESULTS SHOWING THE DETECTION OF COLIFORM BACTERIA					
Microbial Contaminants	Highest No. of Detections	No. of Months In Violation	MCL	MCLG	“Typical Source of Bacteria”
Total Coliform Bacteria	1	0	More than one sample in a month with detection	0	Naturally present in the environment

DETECTION OF UNREGULATED SUBSTANCES						
Substance (and reporting units)	Sample Date	Level Detected	Range of Detections	MCL	PHG (MCLG)	“Typical Source of Contaminant”
Boron (ppb)	2014	800	210 - 1500	NA	NA	
Hardness (ppm)	2014	127.6	7.3 - 460	NA	NA	Sum of polyvalent cations present in the water, generally magnesium and calcium, and are usually naturally occurring
pH (units)	2014	8.42	7.7 - 9.2	NA	NA	
Potassium	2014	2.82	1.2 - 7.3	NA	NA	
Sodium (ppm)	2014	102.4	34 - 180	NA	NA	Salt present in the water and is generally naturally occurring
Vanadium (ppb)	2014	12.18	9.9 - 16.0	NA	NA	

DETECTION OF SUBSTANCES WITH A PRIMARY DRINKING WATER STANDARD

Substance (and reporting units)	Sample Date	Level Detected	Range of Detections	MCL [MRDL]	PHG (MCLG) [MRDLG]	"Typical Source of Contaminant" ²
Arsenic (ppb)	2015	2.26	ND – 8.2	10	.004	Erosion of natural deposits; runoff from orchards; glass and electronics production wastes
Barium (ppm)	2014	.038	ND - .190	1	2	Discharge of oil drilling wastes and from metal refineries; erosion of natural deposits
Fluoride (ppm)	2015	1.17	.84 – 1.4	2	1	Erosion of natural deposits; water additive that promotes strong teeth; discharge from fertilizer and aluminum factories
Hexavalent Chromium (ppb)	2014	.72	ND – 2.2	10	0.02	Discharge from electroplating factories, leather tanneries, wood preservation, chemical synthesis, refractory production, and textile manufacturing facilities; erosion of natural deposits
Gross Alpha Particle Activity (pCi/L)	2015	5.74	ND – 11	15	(0)	Erosion of natural deposits
Halo Acetic Acids (ppb)	2014 2015	2.192	ND– 3.8	60	none	Byproduct of drinking water disinfection
Nitrate (as Nitrate, NO3) (ppm)	2015	6.94	ND - 16	45	45	Runoff and leaching from fertilizer use; leaching from septic tanks and sewage; erosion of natural deposits
Turbidity (NTU)	2014	.14	ND – .7	<u>TT</u> Secondary 5	none	Soil runoff
TTHM's (Total Trihalomethanes) (ppb)	2014 2015	13.99	5.0 – 25.0	80	none	By-product of drinking water disinfection
Uranium (pCi/L)	2012 2014 2015	3.54	1.8 – 7.35	20	0.43	Erosion of natural deposits

*Any exceedance of an MCL, MRDL, or TT is asterisked. Additional information regarding the exceedance is provided later in this report.

DETECTION OF SUBSTANCES WITH A SECONDARY DRINKING WATER STANDARD

Substance (and reporting units)	Sample Date	Level Detected	Range of Detections	MCL	PHG (MCLG)	"Typical Source of Contaminant" ³
Chloride (ppm)	2014	135.4	25 - 490	500	none	Runoff/leaching from natural deposits; seawater influence
Sulfate (ppm)	2014	37.2	12 – 75	500	none	Runoff/leaching from natural deposits; industrial wastes
Odor - Threshold (units)	2014	1	1	3	none	Naturally-occurring organic materials
Specific Conductance (umhos)	2014	760	370 – 1800*	1600	none	Substances that form ions when in water; seawater influence
Total Dissolved Solids (TDS) (ppm)	2014	464	230 - 1100*	1000	none	Runoff/leaching from natural deposits

*Any exceedance of an MCL, MRDL, or TT is asterisked. Additional information regarding the exceedance is provided later in this report.

² As noted above, the potential sources for many substances are numerous, so this list is not comprehensive. This list is quoted from California Code of Regulations, Title 22, Appendix 64481-A.

³ As noted above, the potential sources for many substances are numerous, so this list is not comprehensive. This list is quoted from California Code of Regulations, Title 22, Appendix 64481-B.

TAP WATER SAMPLES – LEAD AND COPPER							
Substance (and reporting units)	Sample Date	No of Samples Collected	Amount Detected (90 th percentile)	No. Sites Exceeding AL	AL	PHG	“Typical Source of Contaminant” ⁴
Lead (ppb)	2014	11	ND	1	15	0.2	Internal corrosion of household water plumbing systems; discharges from industrial manufacturers; erosion of natural deposits
Copper (ppm)	2014	11	ND	1	1.3	0.3	Internal corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives

Tap water samples were collected for lead and copper analyses from samples sites throughout the community.

Additional General Information on Drinking Water

California Code of Regulation, Title 22, Section 66481 also provides that “Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that the water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the USEPA’s Safe Drinking Water Hotline (1-800-426-4791).

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. USEPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline (1-800-426-4791).”

Lead and Drinking Water: In 1991 the U.S. Environmental Protection Agency (USEPA) set final regulations for lead and copper in drinking water. This regulation requires analyzing home tap water samples instead of analyzing the water before it enters the distribution system. If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is believed to be primarily from materials and components associated with service lines and home plumbing. SDWC is responsible for providing high quality drinking water but cannot control the variety of materials used in household plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at <http://www.epa.gov/lead>.

Arsenic in Drinking Water: We believe it is important for you to know that SVM has installed and is now operating an arsenic treatment plant which meets the current drinking water standard for arsenic. The arsenic treatment plant became fully operational in February 2013. Samples of your drinking water are now taken on the 8” and 14” effluent lines downstream of the arsenic treatment plant, instead of at the wells. In 2015 sample analyses results have consistently been below the 10 ppb federal standard. Water analyses from the 8” and 14” effluent lines detected arsenic concentrations ranging from a non-detect to 8.2 ppb. For 2015, the running average of the samples from the 8” and 14” effluent lines was 2.26 ppb, meeting the current standards. As Searles Valley Minerals consumes the greatest volume of the potable water of our system, the company will shoulder the greatest amount of the cost of treatment.

Arsenic is an abundant natural element and is present in groundwater from minerals dissolving from weathered rocks and soils. It normally is found at about 2 parts per billion in water and there are trace amounts of it in all living matter. Arsenic is abundant naturally in the western United States, particularly in arid areas.

⁴ As noted above, the potential sources for many substances are numerous, so this list is not comprehensive. This list is quoted from California Code of Regulations, Title 22, Appendix 64481-B.

Summary Information for Substances Exceeding an MCL, MRDL, or AL, or a Violation of Any Treatment Technique or Monitoring and Reporting Requirement

Well #2 MCL Exceedences: The following substances at Well #2 were detected at levels which exceed the secondary MCL's: **Specific Conductivity** is consistently higher than the secondary MCL of 1600 umhos; **Total Dissolved Solids** are consistently higher than the secondary MCL of 1000 ppm. Blending with water from the other wells brings the average detection level to levels below the secondary MCL's. Secondary MCL's are set relative to aesthetic effects (e.g., color, taste and odor). If you are concerned about any of these exceedences in your water, you may wish to have your water tested and/or talk to your health care professional. Information on these substances in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline (800-426-4791) or at <http://www.epa.gov/safewater>.

Additional General Information

Water Treatment: Groundwater is naturally low in bacteria substances, but a minimum amount of sodium hypochlorite is added to keep the distribution system disinfected and for taste and odor control.

Water Conservation: Did you know that the average U.S. household uses 350 gallons of water per day? Here are some handy tips to conserve water:

- End wasteful outdoor water activities
- Fix water leaks
- Replace older toilets with high-efficiency models
- Be water wise with clothes washers and dishwashers
- Make your showerheads and faucets water efficient.

Water Costs Money...don't waste it! A dripping faucet can waste 3 gallons a day...a total of 1,095 gallons a year. Teach your kids about water conservation to ensure a future generation that uses water wisely.

Customer Service: The SDWC receives numerous inquiries from customers. Our goal is to provide the highest possible level of service in responding to these inquiries. Our experienced and knowledgeable staff, which includes two Grade III and one Grade I Water Distribution Operators, can provide answers to most questions over the telephone. Specific problems may require a visit to the customer's home or business, collection and testing of water samples, and other investigative actions. Whatever the situation, all inquiries are handled as quickly and thoroughly as possible.

Contact Information: We hope this report furthers your understanding of the quality of the SDWC's water supply. For answers to water quality questions and for additional water quality data, contact Audrey Schuyler (manager) or Bob Wilhelm (master water technician) at (760) 372-5326.

Rec'd 7/11/16

ATTACHMENT 7

Consumer Confidence Report Certification Form (to be submitted with a copy of the CCR)

(to certify electronic delivery of the CCR, use the certification form on the State Board's website at http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/CCR.shtml)

Water System Name: Searles Valley Minerals/Searles Domestic Water Company
Water System Number: 3610854

The water system named above hereby certifies that its Consumer Confidence Report was distributed on 6/24/16 (date) to customers (and appropriate notices of availability have been given). Further, the system certifies that the information contained in the report is correct and consistent with the compliance monitoring data previously submitted to the State Water Resources Control Board, Division of Drinking Water.

Certified by: Name: Audrey Schuyler
Signature: [Handwritten Signature]
Title: Manager, Searles Domestic Water Company
Phone Number: (760) 372-5326 Date:

To summarize report delivery used and good-faith efforts taken, please complete the below by checking all items that apply and fill-in where appropriate:

- CCR was distributed by mail or other direct delivery methods. Specify other direct delivery methods used:
'Good faith' efforts were used to reach non-bill paying consumers. Those efforts included the following methods:
Posting the CCR on the Internet at www.
Mailing the CCR to postal patrons within the service area (attach zip codes used)
Advertising the availability of the CCR in news media (attach copy of press release)
Publication of the CCR in a local newspaper of general circulation (attach a copy of the published notice, including name of newspaper and date published)
Posted the CCR in public places (attach a list of locations)
Delivery of multiple copies of CCR to single-billed addresses serving several persons, such as apartments, businesses, and schools
Delivery to community organizations (attach a list of organizations)
Other (attach a list of other methods used)
For systems serving at least 100,000 persons: Posted CCR on a publicly-accessible internet site at the following address: www.
For privately-owned utilities: Delivered the CCR to the California Public Utilities Commission

This form is provided as a convenience and may be used to meet the certification requirement of section 64483(c), California Code of Regulations.