

# 2015 Consumer Confidence Report

Water System Name: Banning Heights Mutual Water Co. Report Date: February 12, 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.**

Type of water source(s) in use: Surface and Groundwater

Name & general location of source(s): Surface Water originates within the Whitewater River watershed area. South Fork and East Fork diversions are located at 7200' elevation within the San Bernardino National forest area. Groundwater sources are located within the Banning Bench Basin. Well #1 is located on Pump House Rd., and well #5 is located on Mesa St.

Drinking Water Source Assessment information: Our Source Water Assessment report was revised in 2015 and is on file at the company office located at 7091 Bluff Rd. Banning CA. Overall assessment indicated that our "surface" water has a very "low" risk of human contamination due to the location of the conveyance system and very rugged terrain. The potential for contamination to our "ground" water would be from agriculture and septic tank run-off impacting current nitrate levels. Detected amounts have not increased in recent years.

Time and place of regularly scheduled board meetings for public participation: Board Meetings are held on the second Monday of each month at 789 N. San Gorgonio Ave, Banning Ca 92220

For more information, contact: John Covington or Ken Falls Phone: (951) 849-2540

## TERMS USED IN THIS REPORT

**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.

**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).

**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.

**Maximum Residual Disinfectant Level (MRDL):** The highest level of a disinfectant allowed in drinking

**Primary Drinking Water Standards (PDWS):** MCLs and MRDLs for contaminants that affect health along with their monitoring and reporting requirements, and water treatment requirements.

**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.

**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.

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

**ND:** not detectable at testing limit

water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.

**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.

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

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

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

**ppq:** parts per quadrillion or picogram per liter (pg/L)

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

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 stormwater 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 stormwater runoff, and residential uses.
- *Organic chemical contaminants*, including synthetic and volatile organic chemicals, that are by-products of industrial processes and petroleum production, and can also come from gas stations, urban stormwater 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 Water Resources Control Board (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 provide the same protection for public health.

Tables 1, 2, 3, 4, 5, 7, and 8 list all of the drinking water contaminants that were detected during the most recent sampling for the constituent. The presence of these contaminants in the water does not necessarily indicate that the water poses a health risk. The State Board allows us to monitor for certain contaminants less than once per year because the concentrations of these contaminants do not change frequently. Some of the data, though representative of the water quality, are more than one year old.

TABLE 1 – SAMPLING RESULTS SHOWING THE DETECTION OF COLIFORM BACTERIA					
Microbiological Contaminants (complete if bacteria detected)	Highest No. of Detections	No. of months in violation	MCL	MCLG	Typical Source of Bacteria
Total Coliform Bacteria	(In a mo.)	0	More than 1 sample in a month with a detection	0	Naturally present in the environment
Fecal Coliform or <i>E. coli</i>	(In the year)	0	A routine sample and a repeat sample detect total coliform and either sample also detects fecal coliform or <i>E. coli</i>	0	Human and animal fecal waste

TABLE 2 – SAMPLING RESULTS SHOWING THE DETECTION OF LEAD AND COPPER							
Lead and Copper (complete if lead or copper detected in the last sample set)	Sample Date	No. of samples collected	90 <sup>th</sup> percentile level detected	No. sites exceeding AL	AL	PHG	Typical Source of Contaminant
Lead (ppb)	October 2014	10	5.1 ppb	0	15 ppb	0.2	Internal corrosion of household water plumbing systems; discharges from industrial

							manufacturers; erosion of natural deposits
Copper (ppm)	October 2014	10	.190 ppm	0	1.3 ppm	0.3	Internal corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives

**TABLE 3 – SAMPLING RESULTS FOR SODIUM AND HARDNESS**

Chemical or Constituent (and reporting units)	Sample Date	Level Detected	Range of Detections	MCL	PHG (MCLG)	Typical Source of Contaminant
Sodium (ppm)	2013 - 2015	9.8 ppm	5 - 17 ppm	none	none	Salt present in the water and is generally naturally occurring
Hardness (ppm)	2013 - 2015	130 ppm	95-160 ppm	none	none	Sum of polyvalent cations present in the water, generally magnesium and calcium, and are usually naturally occurring

\*Any violation of an MCL or AL is asterisked. Additional information regarding the violation is provided later in this report.

**TABLE 4 – DETECTION OF CONTAMINANTS WITH A PRIMARY DRINKING WATER STANDARD**

Chemical or Constituent (and reporting units)	Sample Date	Level Detected	Range of Detections	MCL [MRDL]	PHG (MCLG) [MRDLG]	Typical Source of Contaminant
Gross Alpha pCi/L	2013-2015	.919 pCi/L	.019 – 2.53 pCi/L	15 pCi/L	N/A	Erosion of Natural Deposits
Uranium pCi/L	2013 2015	.122 pCi/L	1.04-1.54 pCi/L	20 pCi/L	.43	Erosion of Natural Deposits
Radium 226 pCi/L	June 2015	.077 pCi/L	0-.077 pCi/L	5 pCi/L	.05 pCi/L	Erosion of Natural Deposits
Radium 228 pCi/L	June 2013	.044 pCi/L	0-.044 pCi/L	15 pCi/L	.019 pCi/L	Erosion of Natural Deposits
Nitrates (as N) Mg/L	2013 2015	11.5 Mg/L	0-20 Mg/L	10 Mg/L	10 Mg/L	Run off or leaching of fertilizer, septic tanks, sewage, and erosion of natural deposits.
Fluoride Mg/L	2013 - 2015	0.4 Mg/L	0 -.6 Mg/L	2.0 Mg/L	1.0 Mg/L	Erosion of natural deposits. Water additive which promotes strong teeth. Discharge from fertilizer and aluminum factories.
Total Trihalomethanes ug/l	August 2015	16 ug/l	15-17 ug/l	80 ug/l	N/A	Byproduct of drinking water disinfection. Causes liver, kidney, or central nervous system damage. Increase risk of cancer.
Haloacetic Acids	August 2015	2.2 ug/l	2-2.4 ug/l	60 ug/l	N/A	Byproduct of drinking water disinfection. Causes liver, kidney, or central nervous system damage. Increase risk of cancer.

**TABLE 5 – DETECTION OF CONTAMINANTS WITH A SECONDARY DRINKING WATER STANDARD**

Chemical or Constituent (and reporting units)	Sample Date	Level Detected	Range of Detections	MCL	PHG (MCLG)	Typical Source of Contaminant
Color- Units	2013 - 2015	4.1 units	0-5 units	15 units	N/A	Naturally Occurring

Specific Conductance umho/cm	2013 - 2015	271 umho/cm	200 -330 umho/cm	1600 umho/cm	N/A	Substances that form ions when in water: seawater influence
Total Dissolved Solids Mg/L	2013 - 2015	151 Mg/L	100-200 Mg/L	500 Mg/L	N/A	Run off leaching from natural deposits
Sulfate Mg/L	2013 - 2015	18 Mg/L	6-23 Mg/L	500 Mg/L	N/A	Run off leaching from natural deposits
Iron ug/L	2014 - 2015	205 ug/L	120-290 ug/L	300 ug/L	NA	Leaching from natural deposits: Industrial wastes
Chloride Mg/l	2013 - 2015	3.0 Mg/L	1.5-5.3 Mg/l	500 Mg/l	N/A	Runoff/leaching from natural deposits: sea water influence
Turbidity NTU	2013 2015	4.77 NTU	.25-10 NTU	5 NTU	N/A	Soil runoff

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

### Additional General Information on Drinking Water

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-Specific Language for Community Water Systems: If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. Banning Heights Mutual Water Company is responsible for providing high quality drinking water, but cannot control the variety of materials used in 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/safewater/lead>.

### Summary Information for Violation of a MCL, MRDL, AL, TT, or Monitoring and Reporting Requirement

VIOLATION OF A MCL, MRDL, AL, TT, OR MONITORING AND REPORTING REQUIREMENT				
Violation	Explanation	Duration	Actions Taken to Correct the Violation	Health Effects Language

<b>NONE</b>				

**For Water Systems Providing Ground Water as a Source of Drinking Water**

**TABLE 7 – SAMPLING RESULTS SHOWING  
FECAL INDICATOR-POSITIVE GROUND WATER SOURCE SAMPLES**

<b>Microbiological Contaminants</b> (complete if fecal-indicator detected)	<b>Total No. of Detections</b>	<b>Sample Dates</b>	<b>MCL [MRDL]</b>	<b>PHG (MCLG) [MRDLG]</b>	<b>Typical Source of Contaminant</b>
<i>E. coli</i>	(In the year) 0	N/A	0	(0)	Human and animal fecal waste
Enterococci	(In the year) 0	N/A	TT	n/a	Human and animal fecal waste
Coliphage	(In the year) 0	N/A	TT	n/a	Human and animal fecal waste

**Summary Information for Fecal Indicator-Positive Ground Water Source Samples,  
Uncorrected Significant Deficiencies, or Ground Water TT**

**SPECIAL NOTICE OF FECAL INDICATOR-POSITIVE GROUND WATER SOURCE SAMPLE**

None

**SPECIAL NOTICE FOR UNCORRECTED SIGNIFICANT DEFICIENCIES**

None

**VIOLATION OF GROUND WATER TT**

<b>TT Violation</b>	<b>Explanation</b>	<b>Duration</b>	<b>Actions Taken to Correct the Violation</b>	<b>Health Effects Language</b>
<b>None</b>				

**For Systems Providing Surface Water as a Source of Drinking Water**

**TABLE 8 - SAMPLING RESULTS SHOWING TREATMENT OF SURFACE WATER SOURCES**

Treatment Technique <sup>(a)</sup> (Type of approved filtration technology used)	
Turbidity Performance Standards <sup>(b)</sup> (that must be met through the water treatment process)	Turbidity of the filtered water must: 1 – Be less than or equal to .2 NTU in 95% of measurements in a month. 2 – Not exceed .5 NTU for more than eight consecutive hours. 3 – Not exceed 1.0 NTU at any time.
Lowest monthly percentage of samples that met Turbidity Performance Standard No. 1.	85%
Highest single turbidity measurement during the year	.178
Number of violations of any surface water treatment requirements	0

(a) A required process intended to reduce the level of a contaminant in drinking water.

(b) Turbidity (measured in NTU) is a measurement of the cloudiness of water and is a good indicator of water quality and filtration performance. Turbidity results which meet performance standards are considered to be in compliance with filtration requirements.

\* Any violation of a TT is marked with an asterisk. Additional information regarding the violation is provided below.

**All effluent Turbidity water was less than .2 NTU for 2015.**

**Summary Information for Violation of a Surface Water TT**

VIOLATION OF A SURFACE WATER TT				
TT Violation	Explanation	Duration	Actions Taken to Correct the Violation	Health Effects Language
None				

**Summary Information for Operating Under a Variance or Exemption**

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# *Banning Heights Mutual Water Company*

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7091 Bluff Street Banning, California 92220

Office (951) 849-2540 • Fax (951) 849-6068 • Email: BHMWC@aol.com

February 26, 2016

To: All Shareholders  
From: Board of Directors  
Subject: Company Update, Information, and 2016 Election & Candidate Submissions  
Enclosures: Notice of Assessments  
Notice of Annual Meeting  
Proxy & Return Envelope  
Water Shortage & Drought Update

The New Year is off to a rapid start and we are now planning for the 2016 Annual Shareholder Meeting. A formal Annual Shareholder Meeting Notice is included in this mailer but mark your calendar and ***\*Save this Date: Monday, April 11, 2016***. Please take some time and review the information provided in this mailer as it pertains to your company and your rights as a shareholder. An update on the company, flume, finances and other matters will be thoroughly presented at the Annual Meeting. Please feel free to contact any one of the members on the board or contact the office if you have any questions.

*Note: Items noted below with \* includes dates or deadline information.*

## **Long Term Flume Solution & Status**

A significant amount of time will be spent at the annual meeting updating everyone on this very complex issue. The board has spent numerous hours working with the City of Banning (City) and the San Geronio Pass Water Agency (SGPWA) to protect the flume and our water rights. As you all may know, we are faced with a very difficult challenge from the United States Forest Service regarding the flume and their intention to have it removed from forest service land once Southern California Edison (SCE) is allowed to surrender their power license from Federal Energy Regulatory Commission (FERC). FERC has not yet issued their surrender or decommissioning order regarding this project. In 2015, we worked at length with all parties in a FERC facilitated Dispute Resolution Divisions (DRD) process. That process has continued into 2016. Please remember that SCE is not able to complete the repairs to the flume, as they are required by agreement with us, until they get authorization to do so through the surrender and decommissioning process with FERC.

The long term operation and use of the flume by BHMWC and the City remains a very complicated situation with many layers and federal procedures. That being said, many times in this very lengthy flume repair and SCE surrender process we have all felt frustrated and left with little options. However, there have been some interesting and exciting developments in the last few months that we look forward to sharing with all shareholders at the annual meeting. While a time frame for

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resolution of this critical issue remains elusive, the board remains committed to protecting our valid and existing water and property rights.

**Monthly Business Meeting Dates – 2016 \***

The monthly business meetings of the board will be held the **2<sup>nd</sup> Monday of each month**. The Meeting's will continue to be held at the Banning Senior Center, 789 San Gorgonio Avenue at 7:00 pm, unless notified of a change.

<b>2016 Meeting Dates (unless rescheduled due to unforeseen situations)</b>					
March 14	April 11*	May 9	June 13	July 11	August 8
	September 12	October 10	November 14	December 12	

\*Annual Shareholder Meeting

**Financial Report (as of December 31, 2015)**

Checking Account: \$89,422.73  
Savings Account: \$283,436.41 (Includes Emergency, Capital Improvements & AB 54)  
Petty Cash: \$385.33

**Budget & Assessments**

At the January 11, 2016 Business Meeting, the board of directors adopted the operating budget for 2016 which includes assessments for all shares. The monthly assessments for all shareholders will remain at \$0.70 per share, billed each month for 2016. A **"Notice of Assessments"** is included in this mailer for your records. Please review the notice as it contains **key information** pertaining to your shares and the current assessments. Shareholders who do not pay their assessments in the required timeframes will be subject to a sale of shares, forfeiture, or foreclosure on those shares to the company, in accordance with the Ninth Section of the Amended Articles of Incorporation, 1958.

The 2016 water rates remain unchanged as we currently operate under a **Stage #1 Water Shortage & Drought Emergency** as outlined in Policy #6. The board will be conducting a rate study later this year to consider a rate increase for normal No-Stage water consumption. The normal No-Stage rate is also used as the lowest tiered rate used in the tiered water conservation rates. The rate study will determine whether or not it will be necessary to increase our monthly service charge and or any other service charges as applicable.

**Annual Shareholder Meeting \***

The Annual Shareholder Meeting and 2016 Board Election will be held **\*Monday, April 11, 2016** at the Banning City Hall, Council Chambers at 7:00 pm (Notice attached). The Banning Bench Community of Interest (BBCOI) will hold a brief meeting before the Annual Meeting begins. This will allow for the check in and registration of all eligible shareholders, distribution or return of proxies, and a validation of a quorum of valid and eligible shareholders. *A Proxy and instructions to complete your proxy have been provided in this mailer.*

*Section 2.15 of our By-Laws pertains to a Quorum of shareholders, and states "The presence in person or by proxy of the holders of fifty (50%) per cent of the shares entitled to vote at any meeting shall constitute a quorum for the transaction of business, including the election of directors, unless some other percentage shall be hereinafter stated."*

### **2016 Election of Directors & Interested Candidate Submission Deadline\***

There are three director positions up for election in 2016. The positions currently held by Julie Hutchinson, Alan Hamdorf, and Lynn DeVries are up for election. Both Lynn DeVries and Julie Hutchinson have expressed their intent to run for a board position. Alan Hamdorf has decided to retire after many years on the board and will be vacating his board position.

The board positions are open to any shareholder who is in good standing with the company. While the incumbents may run again, any interested shareholder in good standing is encouraged to run for a position on the board. If you are interested in being a candidate, please notify any board member in writing or via the company email at [bhmwc@aol.com](mailto:bhmwc@aol.com) of your interest by the Friday, **\*March 14, 2016 deadline**. Interested candidates are also encouraged to submit a candidate statement or resume to the company, in person, by mail (to the company office), or via email at [bhmwc@aol.com](mailto:bhmwc@aol.com) by the **\*March 14, 2016 deadline** for inclusion in the final election and annual meeting mailing. Incumbents may also provide a candidate statement for the mailing by the same deadline. However, candidate statements are not required for any candidate.

The method of the election will be based on the number of candidates who have submitted their intent to run for the three positions:

- **Ballots**: If more than three candidates run for the three open seats, then the election will require a ballot. If ballots are necessary, they will be mailed out to all eligible shareholders the week of March 14, 2016 with any candidate statements, and election instructions. Ballots must be received via mail by 5:00 pm on **\*Monday, April 11, 2016** or be delivered in person to the annual meeting **\*April 11, 2016 by 7:00 pm**. The ballots will then be counted at the annual meeting by the Inspectors of Elections. If there is an election using mailed ballots, the election results will be certified by a resolution and will be adopted by a quorum of shareholders at the annual meeting, or adopted by the board at a later business meeting if no quorum is established.
- **Voice Vote**: If three candidates or less desire to run for the three open positions, the election will be conducted by voice vote at the annual meeting (April 11, 2016), providing a quorum is verified by the Inspectors of Elections. If no quorum is established, the current board will remain in place and formal action will be taken at the next general business meeting of the board to confirm the candidates and appoint them to the board for a two year term. Any remaining vacancy (if any) will be handled as per the By-Laws.

### **Business to be conducted at Annual Shareholder Meeting \***

In addition to the election, other business of the company, as determined by the board and shareholders will be conducted at the Annual Shareholder Meeting if a quorum is achieved in person or by proxy. The Board of Directors will present an overview of company finances, operations, legal issues, flume matters, current business practices, state mandates and requirements, water quality, as well as, possible By-Law amendments, adopt or remove Policy, or any other matters of the company as identified on the Agenda. *If you have an item you would like placed on the agenda,*

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please contact the company office via phone or at [bhmwc@aol.com](mailto:bhmwc@aol.com) by **\*March 11, 2016**. The agenda will be prepared and posted online at [BHMWCO.com](http://BHMWCO.com) for your review prior to the meeting.

### Proxy

The company is providing proxies with a self-addressed stamped return envelope to all shareholders in this mailing. **Please note that not all shareholders may be eligible to vote due to delinquencies or other matters affecting their right to vote as outlined in company policy and By-Laws Section 2.09.** Submitting proxies is critical to the individual shareholders' ability to insure their voice and vote are counted if they cannot attend the annual meeting. A quorum is critical to vital business being conducted by the shareholders meeting especially regarding elections to the board of directors. It is highly recommended that all shareholders return their proxies prior to the annual meeting regardless of their plan to attend.

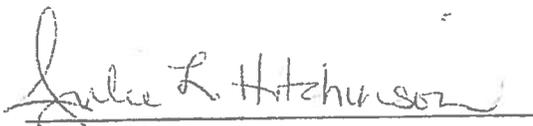
If you do attend, your Proxy will be returned to you when you check-in. You may assign your Proxy to the board, any board member or to any other shareholder in good standing. Shareholders who are delinquent or in arrears will not be eligible to vote on any of the items, nor can they designate a Proxy on their behalf, or represent anyone who provides them a proxy. In the past few years, we were not able to reach a quorum, so shareholder involved business decisions were not conducted at the Annual Shareholder Meeting. A quorum is also needed to have our election process take place and proceed at the annual shareholders meeting. Please return your proxy to insure your participation will be represented whether you are present or not, so we can all have an open and productive annual meeting.

### XX Consumer Confidence Report

The 2015 Consumer Confidence Report has been posted to ~~the company's website at~~ [BHMWCO.com](http://BHMWCO.com) for your review. If you would like a hard copy ~~of this report, please~~ make an email or phone request to the company office at [bhmwc@aol.com](mailto:bhmwc@aol.com) or 951-849-2540.

In closing, please feel free to contact any board member ~~directly, by email at~~ [bhmwc@aol.com](mailto:bhmwc@aol.com), or by calling the company office at 951-849-2540, during business hours ~~or leaving us a message after hours, if you have any questions about the information in this letter or the attachments.~~ Thank you in advance for your attention to these matters and for your ~~continued support of our company and the board.~~ We look forward to seeing you at the 2016 Annual Shareholder Meeting as a significant amount of information will be provided.

Respectfully submitted on behalf of the Board of Directors,

  
Julie L. Hutchinson  
Board President  
Email: [bhmwcpresident@aol.com](mailto:bhmwcpresident@aol.com)