**EXHIBIT 66** 

## **Contact Report**

Contacted:

George Scott Fahey (208) 345-5170

Regarding:

**Curtailment Inspection Scheduling** 

Staff:

Samuel Cole, WRCE

Date:

8/12/2015

Staff contacted G. Scott Fahey via telephone at 9:30 AM in an attempt to schedule an inspection of the facilities for Thursday the 13<sup>th</sup> of August. Mr. Fahey indicated that he would be unable to meet due to living in Boise, Idaho. I offered an inspection date of Tuesday the 18<sup>th</sup> of August and he inquired as to how long I would be available for the inspection, as the facility is quite spread out and would take all day long and potentially should be spread out over 2 days to fully inspect the entire facility. I indicated that we would be available early morning for an all-day inspection. He asked there is an apparent sudden rush for inspection, that it's been 20 years since he applied for his first application. I indicated that the purpose of the inspection was to verify compliance with the curtailment; whether diversions are still taking place. He acknowledged the curtailment and indicated that he received a letter dated July 15, 2015 indicating that the curtailment had been rescinded and he was no longer subject to curtailment. He also explained that there are no senior water right holders, other than the senior water right holders that he already has agreements with, that would be injured by his diversion. I explained that the letter he was referencing was intended to revise the previous curtailment notices by clarifying that the curtailment is not an order issued by the Board, but a notice that water is unavailable and that curtailment is indeed still in effect.

He stated that he would not curtail his diversions. He described a letter that he previously sent to the Division indicating that he has purchased and stored 82 acre-feet of water in Don Pedro reservoir to offset diversions for times of drought and that he believes he is exempt from the curtailment. He stated that he had received no response to the letter he sent the Division and that he interpreted that to mean that the exemption was approved, that no news was good news. I informed him that I am not authorized to exempt anyone from curtailment and that, as far as I could tell, he was still required to curtail his diversions, that he was still subject to curtailment and that he does not have an exemption until he receives confirmation from the division stating he is not subject to curtailment. He said that it is easier to make that interpretation when not directly invested in the operation. He stated that he believes his exemption is valid and he is going to "stick to his story" so to speak. Mr. Fahey was very helpful, calm and not hostile in any way. He even stated that he has put a lot of time, money and effort into getting this facility setup the right way and wishes to continue operating in a legal and valid way.

I mentioned that I had seen Arrowhead listed as one of the bottled water plants and asked if there were others that he currently had contracts with. He replied that in addition to Arrowhead, who supply their own trucks, his water is delivered to Absopure, DS Services in Milpitas, First Choice in Modesto and Foster Farms, who no longer have a bottled water facility, but have a facility for domestic and agricultural uses with tanks at a remote site.

I indicated that since the purpose of the curtailment inspection would be to verify whether diversions are still taking place, that there would be no need to inspect if he is confirming now that diversions are still taking place. He said that yes the diversions are still taking place and that he believes he has a valid exemption.