



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

PO Box 47775 • Olympia, Washington 98504-7775 • (360) 407-6300

April 26, 2012

Aquarius Utilities LLC
Attn: Gregory Roats, P.E.
PO Box 1085
Poulsbo, WA 98370

Re: Water Right No. G2-29129 for Lynch Cove Water Company

Dear Mr. Roats:

In response to your request, Lynch Cove Water Company is hereby granted an extension to put the water to full beneficial use for the reasons below:

- Due diligence is shown in development. Construction is complete and the water system is being upgraded to allow full use of this right.
- This is a municipal water system serving approximately 259 connections. Additional time is needed for full build-out due to the magnitude of this project and current economic conditions.

The new deadline to submit your *Proof of Appropriation of Water* is **January 1, 2015**.

Please note that the provisions of Permit G2-29129 require:

- Monthly recording of source meter data.
- Annual testing for chlorides during the month of August.
- Annual submittal of chloride and water use data.

By January 31, 2013, you must submit the following information to the Department of Ecology's Southwest Regional Office Water Resources Program:

- Source meter readings recorded to date for all Lynch Cove Water System wells under Permits Nos. 10473, G2-29117 and G2-29129.
- Copies of all available chloride testing results to date. If chlorides are not being tested, you must begin doing so in August this year and begin submitting data by January 31, 2013. Please select the well nearest to saltwater for chloride testing.

If you are able to submit meter data on-line, please contact our metering coordinator, Eva Richards, at (360) 407-6643 or eric461@ecy.wa.gov to set up an account.

YOUR RIGHT TO APPEAL

You have a right to appeal this decision to the Pollution Control Hearing Board (PCHB) within 30 days of the date of receipt of this decision. The appeal process is governed by Chapter 43.21B RCW and Chapter 371-08 WAC. "Date of receipt" is defined in RCW 43.21B.001(2).



To appeal you must do the following within 30 days of the date of receipt of this decision:

- File your appeal and a copy of this decision with the PCHB (see addresses below). Filing means actual receipt by the PCHB during regular business hours.
- Serve a copy of your appeal and this decision on Ecology in paper form - by mail or in person. (See addresses below.) E-mail is not accepted.

You must also comply with other applicable requirements in Chapter 43.21B RCW and Chapter 371-08 WAC.

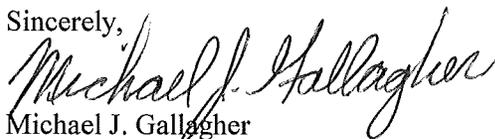
ADDRESS AND LOCATION INFORMATION

| Street Addresses | Mailing Addresses |
|--|---|
| Department of Ecology Attn: Appeals Processing Desk 300 Desmond Drive SE Lacey, WA 98503 | Department of Ecology Attn: Appeals Processing Desk PO Box 47608 Olympia, WA 98504-7608 |
| Pollution Control Hearings Board 1111 Israel RD SW STE 301 Tumwater, WA 98501 | Pollution Control Hearings Board PO Box 40903 Olympia, WA 98504-0903 |

For additional information visit the Environmental Hearings Office Website:
<http://www.eho.wa.gov>. To find laws and agency rules visit the Washington State Legislature Website: <http://www1.leg.wa.gov/CodeReviser>.

If you have any questions, please contact Marie Peter at (360) 407-0279 or mpet461@ecy.wa.gov

Sincerely,



Michael J. Gallagher
Section Manager
SWRO Water Resources

Enclosures: *Proof of Appropriation of Water*
Metering forms
Your Right to Be Heard

BY CERTIFIED MAIL: 7010 1670 0002 4158 1937