



Phelan Piñon Hills Community Services District

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FOR IMMEDIATE RELEASE

PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT BUYS WATER RIGHTS

December 5, 2012, Phelan, CA The Phelan Piñon Hills Community Services District (PPHCSD) Board of Directors has taken action intended to secure water resources to satisfy the District's obligations for decades to come. What is now known as Meadowbrook Dairy in El Mirage was acquired by PPHCSD. The purchase includes 2,335 shares of water rights in the Oeste Aquifer and 160 acres of land with a well for \$10.75 million. An additional 309 acres were donated to the District subsequent to the purchase according to General Manager Don Bartz. A low interest iBank loan of \$7.5 million and \$3.25 million in cash from District reserves completes the financing.

"Already owning 1,416 acre feet of Oeste water, this move by the Board means we now own 3,751 vs. a historical demand of about 2,725 acre feet. This will eliminate the need to negotiate water leases as we have for three years. The savings, after repaying the loan, are estimated to be in excess of \$20 million dollars over the next 30 years. Additionally, potential income from private and public uses of some of the land means it is very probable that the District may be able to add much wanted programs, pay for infrastructure improvements, and many other possibilities to benefit the community." Bartz said.

With a 20% arbitrary rampdown (or reduction) of permitted usage from Mojave Water Agency (the Watermaster) looming on the horizon, on top of a 20% reduction several years ago, the PPHCSD Board felt this was a very necessary and strategic opportunity. As usual, they invite public comment at each of their meetings.

Please visit PPHCSD.org for more information.

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