

Ridge Wellness Center Water System

Preliminary Technical Report

April 2023

Prepared by:
Specialized Utilities Services Program



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1.0 APPLICANT GENERAL INFORMATION

The Ridge Wellness Center (RWC) is planning to construct a new privately owned public water system to provide water for their health and wellness facilities located at 56475 Apple Canyon Road, Mountain Center, CA in Riverside County (Figure 1). The system will have one connection, the wellness center, serving 25 staff and up to 30 guests at a time. The proposed water system will be classified Non-Transient Non-Community (NTNC). The water system will be owned and managed by RWC and will operate under the jurisdiction of the County of Riverside Environmental Health Division (County), and the Division of Drinking Water (DDW) of the State Water Resources Control Board (SWRCB). This Preliminary Technical Report (PTR) is part of the new water system permit application to DDW.

Specialized Utilities Services Program (SUSP) has been contracted by RWC to prepare the PTR using data provided by RWC. The completed Preliminary Technical Report Guidance form is attached in Appendix A. Table 1 shows the applicant general information. Proof of ownership is attached in Appendix B.



Figure 1: Location Map

Table 1: Applicant General Information

Name of Applicant	The Ridge Wellness Center
Phone number of applicant	(951) 203-0971, (909) 322-8482
Email address of applicant	lrm@markhamds.com
Mailing address of applicant	C/O MDS, LLC 41635 Enterprise Circle N, #B, Temecula, CA 92590
Name of engineering consultant responsible for the project:	SUSP Engineering
Phone number of consultant	(916) 283-8531
Email of consultant	nthomas@calruralwater.org
Have you applied to be a public water system previously for this property?	No
Who is the legal owner of the property?	The Ridge Wellness, Inc

2.0 WATER SYSTEM INFORMATION

RWC currently does not have an existing distribution system for domestic water. The proposed potable water system will be constructed on parcel number 568-070-021, (Figure 2). The parcel has an area of 36.1 acres which only +/- 10 acres will be developed with the remainder of the property being open natural space. The site is situated on a mountainous terrain with Hurkey Creek running from north to south on the west third of the property. The new facilities are to be constructed on the northeast side of the parcel.

2.1 Proposed Potable Water System

The proposed potable water system will serve the health and wellness facilities that are to be constructed. The facilities will include 30 guest cabins, 6 tent structures that tents may be removed (as permitted), a building for administration and storage, greenhouse, kitchen, pool, spa, and common area spaces. General information on the proposed water system is presented in Table 2. A conceptual level design and cost estimate for the proposed water system is provided in the following sections.

Title 22 of California Code of Regulations CCR requires a public water system to have the capacity to meet the Maximum Day Demand (MDD). SUSP sized the new well and storage tank to meet the MDD. The booster pumps are sized to supply peak hour demand. The piping and pressure tank allow the distribution system to meet peak instantaneous

demand as needed for brief periods. These are typical design considerations for a water system at this scale and are expected to meet demand under all conditions and ensure a reliable, safe water supply for the facility.

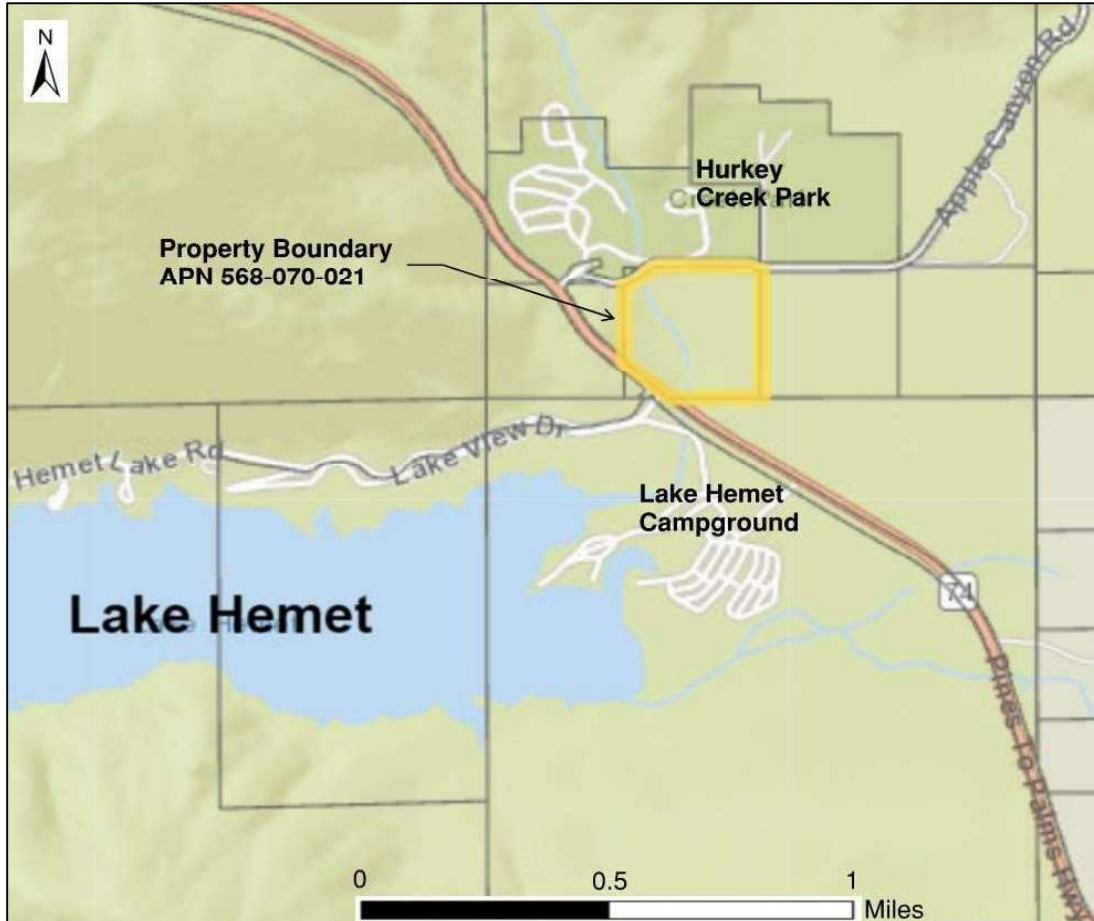


Figure 2: Boundary Map

Table 2: General Information on the Proposed Water System

County	Riverside
Assessor's Parcel Number	568-070-021
Number of connections	1
Number of people served	55 (25 staff and 30 guests)
Days per year of operation	365
Source(s)	Groundwater well
Type of facilities served	Commercial Health and Wellness
Source water rights for surface water	N/A
Treatment requirements for the source water	None

2.1.2 Water demand

RWC estimated the proposed water system peak instantaneous demand estimate at 125 gallons per minute (gpm), excluding 6 gpm for filling the pool. SUSP calculated the demand based on American Water Works Association (AWWA) and California Plumbing Code (CPC) standards. Both standards use the fixture method, which calculates peak instantaneous demand based on the total fixture values. The number of fixtures were taken from the plumbing tables that were provided by RWC, attached as Appendix C. Demand calculations based on both methods are presented in the following subsections. Although the two methods yield similar results, SUSP used the more conservative number, 124 gpm from the AWWA method, as the peak instantaneous demand for the proposed system.

2.1.2.a AWWA Fixture Demand

Fixture demands were calculated by methods from AWWA Manual 22 for estimating the peak instantaneous demand for domestic use from total plumbing fixtures and appliances. These estimates are used to size plumbing on individual sites and within buildings. Based on the facility being more akin to a resort than a residence, the fixture demand was estimated to be 118 gpm from Table 4-2 in AWWA M22. The additional demand of 6 gpm for the pool results in a peak instantaneous demand of 124 gpm for the system.

2.1.2.b CPC Fixture Demand

Fixture demands were also calculated based on the CPC method for estimating the peak instantaneous demand for domestic use by plumbing fixtures. The total fixture value was compared with the demand graphs on Chart A 103.1 of the CPC. As the number of flush tanks is more than the flush valves, SUSP used Curve 2 for estimating the demand. Peak instantaneous demand was estimated to be 103 gpm. After adding 6 gpm for the pool, the estimate for peak instantaneous demand is 109 gpm for the system.

2.1.2.c Maximum Day Demand

Peak instantaneous demand is a conservative system value that theoretically may occur only for a few minutes at most, under the rare circumstances. Peak hour demand (PHD) for domestic use is conservatively estimated at 68.8 gpm for domestic use and 74.8 gpm including the pool demand. The MDD is conservatively estimated to be 9.1 gpm for domestic use and 15.1 gpm including the 6 gpm for the pool. These values are based on the full number of facility guests and employees using as much water as reasonably possible, for example 30 baths and 54 showers in a single day at the facility.

2.1.3 Well

The proposed drinking water well will be drilled and constructed on the facility property. The aquifer is part of the Hemet Lake Valley groundwater basin. Drilling logs from the

nearby wells within one mile radius show granite formations below 100 feet of depth. The well is expected to be around 300 feet deep and 18 inches in diameter. The new well will have an 8 inch steel casing and screen. The well pump will have a submersible motor with a design capacity of 20 gpm at 320 feet TDH (total dynamic head), sized to exceed the MDD by 30 percent. The cost estimate for the new well, pump, and appurtenances is included in Table 4.

2.1.4 Water Treatment

The water from the existing well was tested for quality in May 2021 by Heritage Well Lab. The results show no contaminant levels above any of the Maximum Contaminant Limits (MCLs). Based on the water quality results from the existing well on the parcel, the new well is expected to have acceptable water quality and therefore would not require treatment. However, chlorine disinfection will be included in the new system. Appropriate treatment will be provided if any contaminants are found in the new well and the permit application will be modified accordingly.

2.1.5 Water Storage

The proposed system does not have an additional source or emergency connection with capacity to meet the MDD. A storage tank with capacity of 22,000 gallons (MDD) is typically used to meet storage requirements from Title 22. The County of Riverside Department of Environmental Health has indicated that a backup generator to power the domestic well will permit forgoing MDD at grade storage volume. In this case, SUSP recommends one steel water storage tank with a capacity of 5,000 gallons to buffer peak demands on the system. The design should include a storage tank bypass system which will allow the tank to be taken offline as needed for repairs. A backup generator with capacity of 120 kW is a suitable choice for covering the water system pumps and controls.

2.1.6 Distribution System

The new potable water system will have a 4 inch, C900, PVC pipe with an approximate length of 1,000 feet from the storage tank to the new facilities. Booster pumps located near the storage tank will be used to supply water pressure to the system. The system will be equipped with two variable speed drive (VSD) booster pumps with a combined capacity of 75 gpm (PHD) at 140 feet TDH. Pressure tanks (800 gallons total volume) located next to the booster pumps with a working capacity 330 gallons will cover peak instantaneous demand for approximately 3 minutes, prevent short cycling the booster pumps, and reduce surges in the system. A schematic of the distribution system shown in Figure 3.

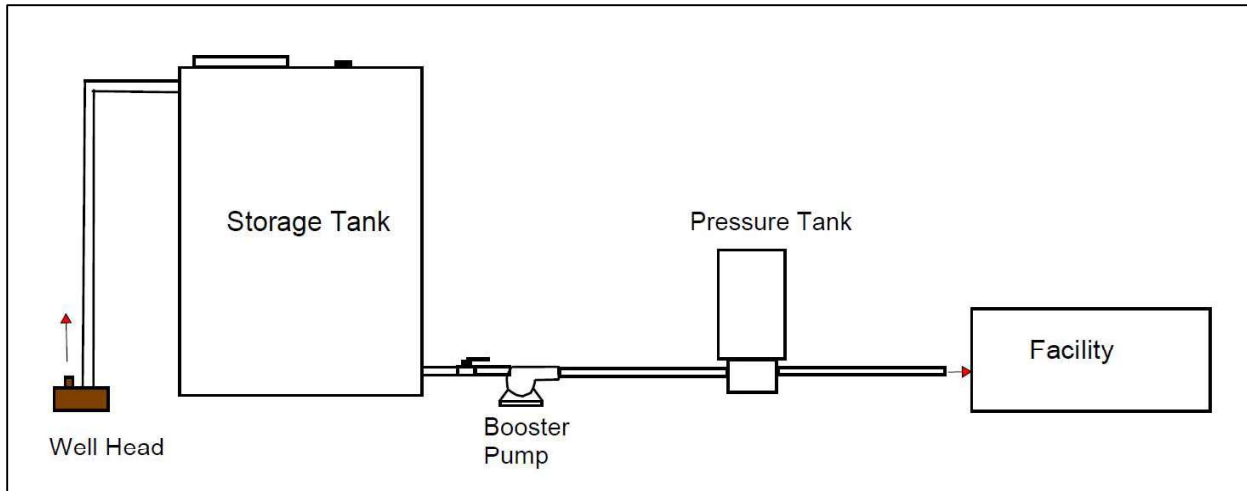


Figure 3: Proposed Distribution System Components

2.2 Existing Irrigation Water System

The RWC parcel currently has an irrigation system consisting of a well, one 5,000 gallon storage tank, three 85 gallon pressurized tanks, and one 2 hp Berkeley booster pump. The irrigation well is located on the northwest side of the property and has a capacity of 24 gpm. The well was constructed to a depth of 150 feet. The well has 150 feet of steel casing and screen with a diameter of 8 inches and is equipped with a 2 hp submersible pump. The well will not be connected to the new domestic water system but will continue to be used for irrigation and fire suppression at the property. The existing irrigation distribution systems will be independent of the proposed domestic water system with no interties.

2.3 Fire Protection System

The proposed fire protection system will be supplied by the existing irrigation well. The fire storage volume will be as determined by the Riverside County Fire Department. The fire protection system will be independent of the domestic water system and have no interties.

3.0 CONSOLIDATION FEASIBILITY STUDY

The System Area Boundary Layer (SABL) Look-up Tool from the SWRCB was used to look up existing community water systems near the RWC proposed water system site. The only community water system within three miles radius of RWC is Lake Hemet Mutual Water District - Campground (LHMWD), as shown in Figure 4: Local Water Systems. The proposed RWC water system is not in the County Local Area Formation Commission's (LAFCO) service area boundary.

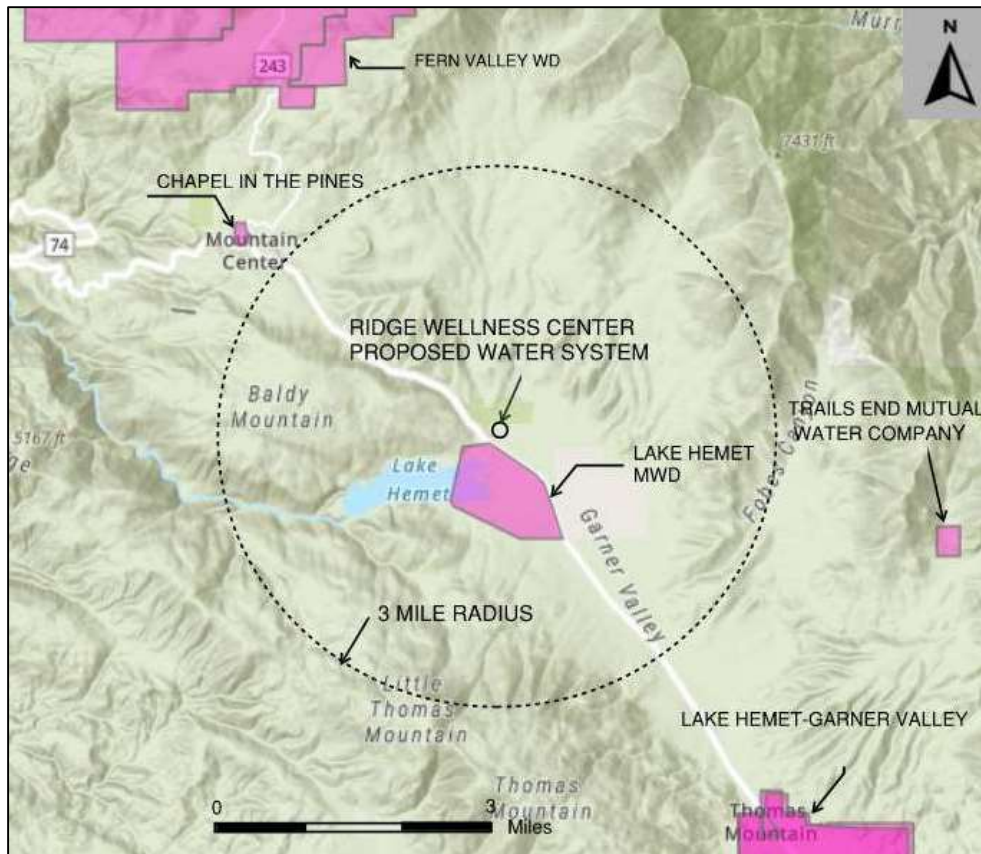


Figure 4: Local Water Systems

3.1 Connection to Lake Hemet MWD

LHMWD is registered with SWRCB as system number CA3310080 and provides potable water to Lake Hemet Campground with a population of up to 600 (300 residential and 300 transient) through 287 residential service connections. LHMWD facilities are located approximately one mile to the south of RWC. Source of water for LHMWD is one active well, Pasture Well 02. LHMWD has four storage tanks on the hill north of the campground. The distribution system consists of a 4 inch pipeline and no booster pumps. The system is gravity fed and adequate pressures are maintained throughout the system by elevation difference between the storage tanks and service connection points.

LHMWD was contacted to explore the feasibility of supplying water to RWC system. SUSP contacted Mike Gow, LHMWD’s general manager, by email, mgow@lhmwd.org, and phone, (951) 658-3241 ext. 238, on December 9, 2021, to evaluate the feasibility of supplying water to RWC. LHMWD agreed to consider a potential consolidation with RWC but expressed that the connection would be difficult and very costly. LHMWD is currently under a moratorium on new connections due to supply capacity limitations. LHMWD

provided the necessary data for SUSP engineers to conduct a technical analysis of the connection.

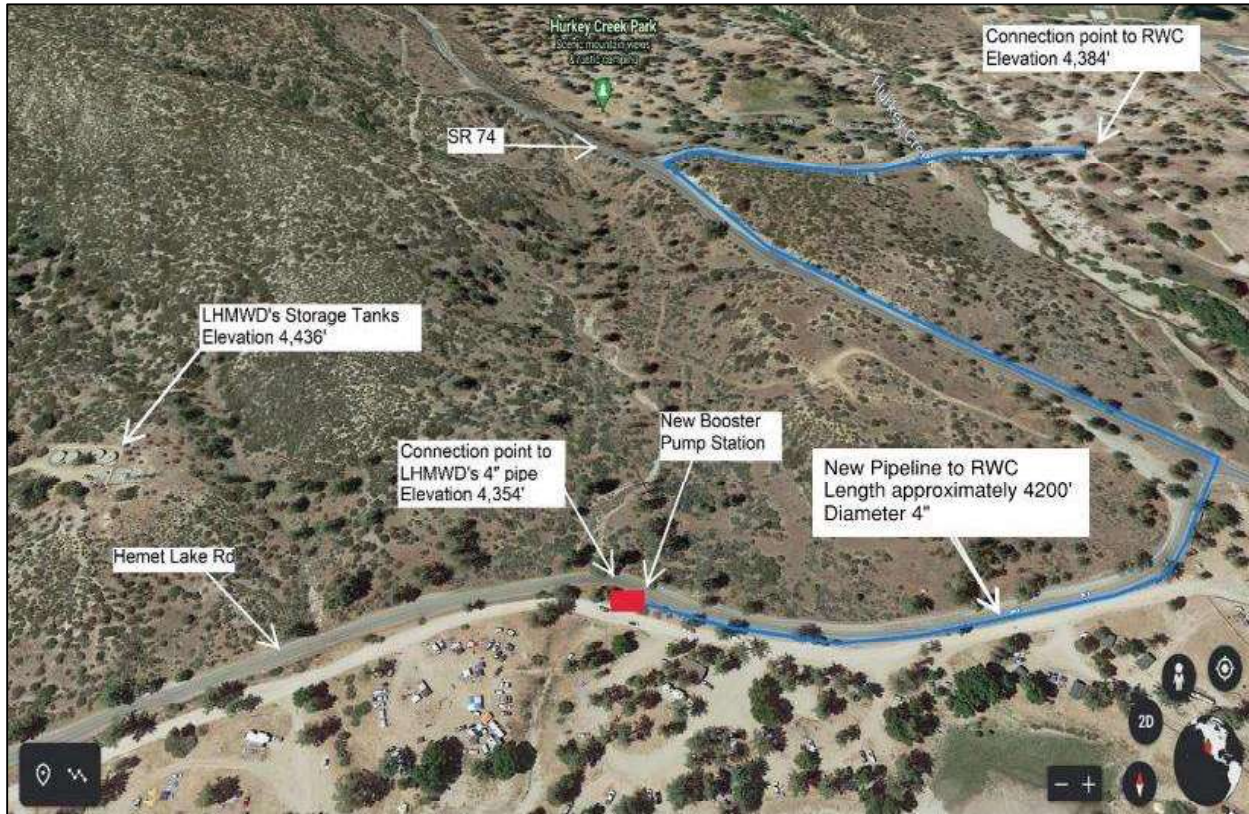


Figure 5: Connection to Lake Hemet MWD

LHMWD's nearest connection point to RWC is a 4 inch pipe on Hemet Lake Road, 1,300 feet west of SR 74 at an elevation of 4,354 feet (Figure 5). Water pressure at this point is around 35 psi (pounds per square inch) which is maintained by the elevation of the storage tanks at 4,436 feet on the hill above. The connection point to RWC system is at an elevation of 4,384 feet and would require a 4 inch pipeline with a length of approximately 4,200 feet. To meet RWC demand with adequate pressure, a booster pump station with a capacity of 20 gpm at 250 feet TDH will be needed at the connection point with LHMWD.

On the RWC site, the distribution system will include a 10,000 gallon hydropneumatic tank to provide water and pressure over all demand conditions including PHD. The working capacity of the hydropneumatic tank for consolidation is 4,200 gallons. With consolidation, the system will not need storage tanks because LHMWD has storage tanks. Also, the proposed water system will need a 4 inch pipe with an approximate length of 1,000 feet from the hydropneumatic tank to the new facilities.

3.2 Managerial Consolidation

The PTR Guidance requires that where physically connecting to another water system appears unfeasible, the applicant must submit a discussion of all actions taken to pursue a contract for managerial. Physical consolidation is feasible for this project and was presented in the previous section precluding the need to consider managerial consolidation. However, at the request of the DDW, SUSP reached out to LHMWD to discuss the potential for a managerial consolidation and tried to obtain a letter from the system addressing the matter. Repeated attempts to contact LHMWD were ignored over the course of a month. A letter obtained previously from LHMWD stating that the RWC project is not eligible for service from the Lake Hemet Municipal Water District has been attached as Appendix D. The fact that the RWC owner is the sole system connection reduces the likelihood of substantial cost efficiencies in a managerial consolidation. There is no reason RWC could not realize the available cost savings by subcontracting operations to any local system's operations staff. Without cooperation from LHMWD a managerial consolidation would be impossible. As it stands, a managerial consolidation would require LHMWD to obtain a service area expansion through LAFCO and a permit amendment. These changes would take a substantial amount of time and effort and would be impossible without continuous support and cooperation from LHMWD.

4.0 COST ESTIMATE

Project costs were estimated for both the consolidation and independent water system alternatives. The cost estimates are based on the conceptual level designs described in this PTR and include all aspects of the project including design, construction, and installation. The cost for the consolidation does not consider the opportunity (time) and planning costs of expanding LHMWD service area via LAFCO approval. A cost comparison between the initial construction costs plus 20 years of operation and maintenance (O&M) costs for each alternative is presented below.

4.1 RWC Consolidated System Project Cost

The cost to construct the consolidation project is estimated to be \$2.05 million. A breakdown of the cost is presented in Table 3 below. The estimate includes a 50 percent contingency to cover unknowns typical at a conceptual level of design. The estimate reflects the best information available to date. The consolidation costs include an estimated connection fee of \$150,000. This fee would be negotiated based on the current LHMWC connection fee rate and the proportionate number of connections represented by RWC.

Table 3: Estimated Cost for Consolidation with LHMWD System

Item	Quantity	Unit	Unit Cost	Cost
Mobilization / Demobilization	10%	LS	-	\$92,000
Booster Pump Station	1	LS	\$35,000	\$35,000
Hydropneumatics Tank	1	LS	\$110,000	\$110,000
Electrical and Controls	1	LS	\$80,000	\$80,000
4 inch Pipeline	5,200 ¹	LF	\$130	\$676,000
Valves, Fittings, Meter	1	LS	\$17,500	\$17,500
Testing and Startup	1	LS	\$5,000	\$5,000
Design, Documentation, and Fees	1	LS	\$127,000	\$127,000
LHMWD connection fees	1	LS	\$150,000	\$150,000
Construction Inspection	1	LS	\$20,000	\$20,000
Construction Management	1	LS	\$54,000	\$54,000
Subtotal Estimated Cost				\$1,367,000
50% Contingency				\$684,000
Total Estimated Cost				\$2,051,000

1 – Approximate length, may change based on field conditions

4.2 RWC Independent System Project Cost

The cost to construct the independent water system project is estimated to be \$773,000. A breakdown of the cost is presented in Table 4, below. The estimate includes a 50 percent contingency to cover unknowns typical at a conceptual level of design. The estimate reflects the best information available to date.

Table 4: Estimated Cost of Proposed New Public Water System

Item	Quantity	Unit	Unit Cost	Cost
Mobilization / Demobilization	10%	LS	-	\$36,000
New Well Construction Including Pump	1	LS	\$122,200	\$122,200
Booster Pump Station	1	LS	\$35,000	\$35,000
Storage Tank, Pressure Tank, Foundations, and Installation	1	LS	\$42,000	\$42,000
Electrical and controls	1	LS	\$60,000	\$60,000
4" Pipeline	1000 ¹	LF	\$100	\$100,000

Testing and Start Up	1	LS	\$5,000	\$5,000
Design, Documentation, and Fees	1	LS	\$65,000	\$65,000
Construction Inspection	1	LS	\$15,000	\$15,000
Construction Management	1	LS	\$34,400	\$34,400
Subtotal Estimated Cost				\$515,000
50% Contingency				\$258,000
Total Estimated Cost				\$773,000

1 – Approximate length, may change based on field conditions

4.3 Net Present Value Estimates

A net present value (NPV) for 20 years was calculated for each project alternative. An NPV is used to evaluate and compare options by estimating capital costs plus operation and maintenance costs of a project over the time period. NPVs take estimated costs to build the project plus discounted future expenses based on an assumed inflation rate. This estimate was calculated by increasing the O&M cost by 4% per year to account for inflation. The purpose is to estimate a project’s cost for construction and operation to compare total costs to the owner. A conceptual level NPV for each alternative is included in Appendix E and summarized in Table 5 below.

Table 5: Cost Comparison

Alternative	Initial Cost	20 Year O&M	20 Year NPV
RWC System	\$773,000	\$1,080,000	\$1,853,000
Consolidation	\$2,051,000	\$961,000	\$3,012,000

The independent system will require a Distribution Grade I operator. Due to the size of the system, it is expected the operator will need to be on site one day a week. The system will have to comply with annual maintenance labor, monitoring, sampling, testing, electrical systems maintenance, replacement costs of mechanical components, and compliance reporting.

Consolidation with LHMWD system will require fewer personnel hours to operate and maintain the RWC system. In addition to considering the proportional amounts for operation and maintenance, the water LHMWD service fee and unit charges are added to net present value cost to RWC. As of July 2021, LHMWD water rate is \$3.70 per CCF (one hundred cubic feet) plus a monthly service charge of \$179. Water rate analysis for the new

system option is not necessary because the system will not be selling water to any customers and will only supply water to their own health and wellness facilities. The annual operation and maintenance cost is estimated to be over \$75,000 per year for the new system and close to \$67,000 per year for consolidation with LHMWD system.

4.4 Recommended Project

The recommended project is for RWC to construct a new independent water system. The construction of new well is less costly compared to connecting to an existing public water system both initially and over the 20 year analysis period. Also, LHMWC has expressed strong reservations to consolidation and consolidation may require RWC to pay higher fees for connection or service than those detailed in this PTR. Additionally, LHMWC may need additional storage or a new well to fully meet Title 22 requirements in a consolidation to be capable to serve RWC. For these reasons, the RWC proposed water system is the best solution to provide water at their new facility.

5.0 WATER SYSTEM SUPPLY CAPACITY EVALUATION

The proposed RWC system is a non-community water system and does not expect population growth in the next 20 years. Water system demand is likely to stay the same with slight variations due to seasonal changes in the number of guests. The system is constructing a new well which will have a design life of more than 20 years. The existing well has not shown decline in production during dry months and years. Therefore, the new well is expected to have steady production and have reliable capacity to meet future demand.

Appendix A

Preliminary Technical Report Guidance

Preliminary Technical Report Guidance

Updated December 4, 2020

This guidance is intended to assist applicants in completing the preliminary technical report required in the California Health and Safety Code (CHSC), Section 116527 for all new public water systems that are not subject to the exemptions specified in Section 116527(h). Section 116527(h) provides exemptions under the following conditions: (1) domestic water supply applications deemed complete prior to January 1, 2017, (2) extension of, or annexation to, an existing public water system, or (3) building construction applicants that certify they will not rely on the establishment of a new public water system. In accordance with Section 116527(b), this report is **required to be completed 6 months before any water-related construction for a new public water system**. Effective January 1, 2019, Assembly Bill 2900 authorized the State Board to allow applicants to proceed with water-related construction before the end of the 6-month period if the preliminary technical report is deemed complete, by the State Board.

This guidance provides a comprehensive summary of the elements that may be necessary to consider in completing a preliminary technical report. However, all the elements included in this guidance will not apply to all proposed public water systems. The applicant for each proposed public water system must evaluate the elements included in this guidance for its applicability for his or her project. Throughout this guidance sections of the California Health and Safety Code and the California Code of Regulations (CCR) are provided as a reference for the requirements included. This guidance also includes a description at the end of the requirement for a new public water system to demonstrate adequate financial, managerial, and technical capacity to ensure delivery of pure, wholesome, and potable drinking water to enable the State Board to issue it a domestic water supply permit.

Section I. Applicant General Information

Name of applicant: **The Ridge Wellness Center**

Phone number of applicant: **(951) 203-0971, (909) 322-8482**

Email address of applicant: **irm@markhamds.com**

Name of engineering consultant responsible for the project: **SUSP Engineering**

Phone number of engineering consultant: **(916) 283-8531**

Email of engineering consultant: **nthomas@calruralwater.org**

Have you applied to be a public water system previously for this property?

Yes

No

Who is the legal owner of the property? **The Ridge Wellness, Inc**

(Proof of ownership of any water treatment facilities and well sites must be documented.)

Appendix B

Section II. General Information on the Proposed Water System

County of proposed new public water system: **Riverside**

Assessor's Parcel Number(s) or address of proposed new public water system: **568-070-021**

Number of proposed connections (e.g. buildings, homes, etc.) the new public water system would serve: **1**
Number of people the new public water system would serve: **55 (25 staff and up to 30 guests)**

Number of days per year the new public water system will serve water (e.g. 365): **365**

What are the sources of water for the proposed public water system (mark all that apply, note: more detailed source information is required in Section VI):

- Lake or Pond
- River/Stream
- Spring
- Creek
- Multiple Wells **One groundwater well**
- Well within 100 feet of a lake, river, or creek
- Unknown/source does not exist yet

What type of properties will be served, indicate all that are applicable, or provide a copy of the use permit:

- Residential Community
- Businesses
- Industrial Park
- Schools/Daycares
- Winery
- Restaurant
- Park/Recreation
- Mobile Home Park
- Other: **Commercial Health and Wellness**

If the proposed water source is surface water (e.g. lake, river, creek, well near river, etc.) do you currently possess water rights to the source?

Yes

No

(Surface water rights must be documented.)

Is any treatment known to be required for the source water? If yes, explain.

[Refer to section 2.1.4 of PTR report](#)

Provide a summary description of the proposed water system (physical facilities, type of legal entity it will be, who it will serve, who will manage it, existing facilities that will be incorporated, any contamination in the local area that could impact the water quality, other pertinent factors).

[Refer to section 2.1 of PTR report](#)

A map of the proposed boundaries of the new public water system will be required.

[Refer to Figure 2 of PTR report](#)

Section III. Discussion of the Potential for the Proposed Water System to be served by an Existing Water System:

List the names of all community water systems with boundaries within a 3-mile distance from the proposed public water system's service below. CHSC (116527(c)(1))

Ways to find nearby public water systems include:

A list and phone numbers of all community water systems by county can be found on our website at: <https://sdwis.waterboards.ca.gov/PDWW/>

Please do not consider those water systems with a status of "I", which means they are inactive.

A map showing the locations of some, but not all, public water systems can be found on the following website:

https://gis.data.ca.gov/datasets/fbba842bf134497c9d611ad506ec48cc_0. We are currently in the process of collecting data for this website, so it is not yet a complete list of public water systems.

If you are still unable to find a nearby community water systems using these tools, please contact our District Offices and verify that none exist in the 3-mile radius. A map of the contact numbers for our District Offices can be found on the following website:

http://www.waterboards.ca.gov/drinking_water/programs/documents/ddwem/DDW_districtofficesmap.pdf

Community Water Systems in 3-mile Radius

1. Lake Hemet Mutual Water District- Campground (LHMWD)
- 2.
- 3.
- 4.
- 5.

(add additional systems, if present in the 3-mile radius)

Is the proposed water system in the County Local Area Formation Commission's (LAFCo) sphere of influence boundary for any city or municipal water service? CHSC 116527(c)(9)

Yes

No

Attach a feasibility report evaluating the possibility of obtaining water supply from each public water system listed above and the estimated costs. The report should include dates of contact with the public water systems, the names and titles of all parties involved as well as phone numbers and email addresses of all parties, and a summary of their responses. All actions taken to obtain service for the proposed new public water system's service area must be provided. The report must also include all information provided by each identified public water system regarding the feasibility of annexing, connecting or otherwise supplying domestic water to the proposed service area. The feasibility report should include dates of contact with the County Local Area Formation Commission's (LAFCo) executive officer and/or staff regarding identified public water systems. Also include any other actions taken to obtain water supply from an existing public water system. CHSC 116527(c)(2)

Please note: If as a result of this process you decide to be served by another public water system and not become a new public water system, write a letter to the State Water Resource Control Board, Division of Drinking Water and the County building/planning department indicating that it is your intent. Provide the name and contact of the water system that will be supplying water service to your development and begin the process of obtaining water service.

Refer to section 3 of PTR report

Section IV. Managerial Consolidation

If physically connecting to another water system appears unfeasible, submit a discussion of all actions taken by the applicant to pursue a contract for managerial or operational oversight from the identified community water systems in Section III. This should include a summary of names, dates and contact information of those individuals you have interacted with as well as their responses. CHSC

116527(c)(7) [Refer to section 3.2 of PTR report](#)

Section V. Cost of Proposed New Public Water System

[Refer to section 4.2 of PTR report](#)

We recommend that you review the “Drinking Water Related Regulations” related to operating a public water system.

The regulations are located on the State Water Resource Control Board website:

http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/Lawbook.shtml

Please attach a report on the proposed cost to construct, operate, and maintain the proposed new public water system for 20 years. The report must also include a discussion of the proposed rates based on the costs. CHSC 116527(c)(5) We recommend this report be prepared by an engineer who is knowledgeable regarding the legal requirements for public water systems, typically an engineer that has experience in working on public water systems. The new water system should consider the following costs listed below, as they would apply to the proposed water system. Other costs may also be applicable, particularly those with other regulatory agencies, such as Division of Water Rights, LAFCo, Public Utilities Commission, business licenses, etc. To facilitate review of each cost, the section from the CCR Title 22, Division 5 discussing the specific requirements is included in parentheses. If the requirement comes from another regulatory section, the location is noted.

- System engineering and design costs for construction and permitting (§64552), including pump tests (§64554), two water supply well sources for communities (§64554c and §64561), a 50-foot source protection zone around wells (§64560), and initial monitoring costs
- Construction costs, backup electricity for pumps to maintain 40 pounds per square inch (psi) minimum pressure at all times (§64602), proper construction of distribution systems (§64570-64580), installation of meters (§64561), adequate storage capacity (§64554 and 64585) and fire capacity (contact local fire official)
- Monthly electricity costs for pumps, other utilities, interest on any debt service
- Cost of as-built maps (§64604)
- Annual water-treatment quality chemical costs (§64590), and equipment for distribution monitoring of any added chemical treatment (dependent on the type of needed treatment)
- Ongoing raw water chemical monitoring sampling and analysis costs (§64431-64445.2)
- Ongoing bacteriological monitoring sampling and analysis costs for untreated water (§64430)
- Ongoing bacteriological monitoring sampling and analysis costs for treated water (§64421-64430, Table 64423-A)

- Maintenance of bacteriological plans (§64422) and emergency notification plans for notification of water quality emergencies (§64463-64466)

- Required lead and copper monitoring sampling and analysis costs and maintenance of lead and copper plan (§64670-64690.80, Table 64675-A)
- Required disinfection byproducts monitoring costs and maintenance of associated plan (§64530-64537.6, Table 64534.2-A)
- Customer water quality complaint program (§64470)
- Flushing (§64575), valve and meter maintenance (§64600), and maintaining maps (§64604)
- Cross connection program and annual backflow device testing and maintenance (from Title 17, §7583-7605)
- Salary for licensed operator staff costs, including time for reports and inspections required by Division of Drinking Water staff (§64413.1-64413.7)
- The cost to maintain written procedures for system maintenance, for example main line breaks procedures, etc. (§64580, 64582, and 64583)
- Source capacity planning studies and permit amendments for any additional growth (§64558 and §64556)
- Annual Consumer Confidence Report preparation and distribution costs (§64480-64483)
- Annual electronic Report to State Water Resource Control Board-Division of Drinking Water (Health and Safety Code §116530)
- Records of the estimated life of all pumps, treatment, storage, and distribution system and an annual capital improvement plan to fund replacement
- Metering and billing staff costs
- Emergency reserve costs for drought, regulatory changes, public notice of bacteriological or chemical failures, etc.
- Maintaining of business licenses and paying annual permit fees (Ca Health and Safety Code §116565) and any State enforcement fees for actions resulting from water system non-compliance (Ca Health and Safety Code §116577)
- Appropriate workspace to house staff, records (§64470, §64423.1), and appropriate containment of chemicals
- Insurance and liability for staff, for duties including climbing tanks, handling hazardous chemicals, if appropriate.
- Knowledgeable management staff costs to coordinate the above and maintain financial controls (per Corporation Code and Government Code requirements and Health and Safety Code §116540) and office supplies
- If the source is surface water (lake, stream, pond, etc.), additional costs should be considered for the following:
 - A water treatment plant meeting all the requirements of the Surface Water

Treatment Rule (§64650 through §64666)

- Continuous operator supervision of the water treatment plant when operating (§64660) hemical monitoring equipment, at minimum turbidity and chlorine (§64655-64656.5, §64659)
- Operations Plan (§64661)
- Alarms (§64659)
- Monthly monitoring reports to the Division of Drinking Water (§64662-64664.2)
- Additional raw water sampling requirements (§64654.8)
- Watershed Sanitary Survey, every five years (§64665), and
- Engineering Report after one year of operation for system optimization for alternative technologies (§64653 (i)).

Resources to help with cost analyses

Rural community assistance corporation (RCAC) provides FREE live and online classes on water system financial management, budgeting, rate setting, board training, as well as a host of other water system related classes. Training schedules can be found on their website at www.rcac.org.

Section VI. 20 Year Evaluation of Proposed New Public Water System's Supply Capacity CHSC

116527(c)(8) Refer to section 5 of PTR report

Submit an analysis of the proposed new public water systems' total projected water supplies available during normal, single dry, or multiple dry water years to meet current demand, and any anticipated growth, for the next 20 years. If a source has not yet been constructed (e.g. a well) an engineer shall evaluate demands required under these scenarios. Please be aware that for a community water system using wells, it will be required to have at least two well sources and must be capable of meeting the maximum day demand with the highest-capacity source off-line, prior to being granted an initial domestic water supply permit, per Section 64554(c).

Section VII. Cost-Comparison CHSC 116527(c)(6)

Refer to section 4.4 of PTR report

Submit an analysis comparing the estimated costs associated with the construction, operation and maintenance of the proposed new public water system to the costs associated with providing water through connecting to an existing public water system. Also, compare the long-term sustainability of each water system, including but not limited to local groundwater contamination migration, global climate change, and potential treatment needs.

Some water systems will require proposed water system to annex or enter into an out-of-area service agreement to obtain water. These identified water systems may not be excluded from cost comparison evaluation due to the need for annexation or out-of-area agreements.

Submit the COMPLETED Preliminary Technical Report to:

State Water Resource Control Board, Division of Drinking Water's District Office

The report should be addressed to the District Engineer for the County where the proposed water system will be located. Their name and address can be found on the following website at:

http://www.waterboards.ca.gov/drinking_water/programs/documents/ddwem/DDWdistrictofficesmap.pdf

In the following Counties, an additional copy must be submitted to the County's Small Water System Program, typically found in the Environmental Health Department. If you have any questions as to who to address in these Counties, you may also contact Wendy Killou at (916) 449-5158 or via email at DDW-PLU@waterboards.ca.gov for more information.

[Alpine](#)
[Amador](#)
[Butte](#)
[Calaveras](#)
[Contra Costa](#)
[El Dorado](#)
[Imperial](#)
[Inyo](#)
[Kings](#)
[Los Angeles](#)
[Madera](#)
[Mono](#)
[Monterey](#)
[Napa](#)
[Nevada](#)
[Placer](#)
[Plumas](#)
[Riverside](#)
[Sacramento](#)
[San Bernadino](#)
[San Diego](#)
[San Joaquin](#)
[San Luis Obispo](#)
[Santa Barbara](#)
[Santa Cruz](#)
[Shasta](#)
[Stanislaus](#)
[Tehama](#)
[Yolo](#)
[Yuba](#)

Technical, Managerial, and Financial (TMF) Capacity - CHSC 116540(a)(1)

Please note that if both physical and managerial consolidations are unfeasible, you will be asked to submit additional information regarding the technical, managerial and financial capacity of the proposed water system in order for the proposed water system to be issued a domestic water supply permit. This is one of the initial permit requirements for all new public water systems. If the Division and/or County Environmental Health deem that the required TMF components are adequate, the project proponent may submit a permit application. A permit application will include items such as initial water monitoring, and a permit engineering report containing detailed plans and specifications, etc. The details of the permit application will be provided separately.

**For a proposed water system with existing
infrastructure, TMF Instructions and forms can be
found on our website at:**

http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/TMF.shtml

**For a proposed community water system with no
existing infrastructure please provide the
following:**

1. A copy of the deed of trust for the location where water treatment facilities, including any wells, are proposed to be located.
2. An organizational chart and description of what organization will own and operate the water system.
3. List the median household income(s) of the zip code(s) in the area to be served by the public water system based on the most recent year available from the U.S. census. Median household incomes can be found on the following website: <https://www.census.gov/quickfacts/table/PST045216/06>
4. Calculate the average annual rate per customer needed to support the water costs previously calculated in Section V, including depreciation and replacement of all infrastructure based on its usable life over a 20-year time period.

Average usable life of typical water treatment equipment can be found on our website at:

http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/documents/tmfplanningandreports/Typical_life.pdf.

A sample excel spreadsheet for budgeting can be found on our website at:

http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/TMF.shtml

5. Is the annual rate per customer greater than 1.5% of the surrounding median household income?

Appendix B

Proof of Ownership

Delaware

Page 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THAT THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "THE RIDGE WELLNESS, INC." FILED IN THIS OFFICE ON THE SIXTH DAY OF MARCH, A.D. 2020, AT 4:19 O`CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE KENT COUNTY RECORDER OF DEEDS.




Jeffrey W. Bullock, Secretary of State

7598264 8100V
SR# 20201982879

Authentication: 202545573
Date: 03-09-20

You may verify this certificate online at corp.delaware.gov/authver.shtml

Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THAT THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF CONVERSION OF A DELAWARE LIMITED LIABILITY COMPANY UNDER THE NAME OF "THE RIDGE WELLNESS LLC" TO A DELAWARE CORPORATION, CHANGING ITS NAME FROM "THE RIDGE WELLNESS LLC" TO "THE RIDGE WELLNESS, INC.", FILED IN THIS OFFICE ON THE SIXTH DAY OF MARCH, A.D. 2020, AT 4:19 O`CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE KENT COUNTY RECORDER OF DEEDS.




Jeffrey W. Bullock, Secretary of State

7598264 8100V
SR# 20201982879

Authentication: 202545573
Date: 03-09-20

You may verify this certificate online at corp.delaware.gov/authver.shtml

STATE OF DELAWARE
CERTIFICATE OF CONVERSION
FROM A LIMITED LIABILITY COMPANY TO A
CORPORATION PURSUANT TO SECTION 265 OF
THE DELAWARE GENERAL CORPORATION LAW

- 1.) The jurisdiction where the Limited Liability Company first formed is DELAWARE.
- 2.) The jurisdiction immediately prior to filing this Certificate is DELAWARE.
- 3.) The date the Limited Liability Company first formed is 09/09/2019.
- 4.) The name of the Limited Liability Company immediately prior to filing this Certificate is THE RIDGE WELLNESS, LLC.
- 5.) The name of the Corporation as set forth in the Certificate of Incorporation is THE RIDGE WELLNESS, INC.

IN WITNESS WHEREOF, the undersigned being duly authorized to sign on behalf of the converting Limited Liability Company have executed this Certificate on the 6TH day of MARCH, A.D. 2020.

By: 

Name: FABIENNE D. STRUELL

Print or Type

Title: INCORPORATOR

Print or Type

STATE of DELAWARE
CERTIFICATE of INCORPORATION
A STOCK CORPORATION

• **First:** The name of this Corporation is THE RIDGE WELLNESS, INC

• **Second:** Its registered office in the State of Delaware is to be located at
2140 South Dupont Hwy Street, in the City of Camden
County of Kent Zip Code 19934

The registered agent in charge thereof is PARACORP Incorporated

Third: The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

• **Fourth:** The amount of the total stock of this corporation is authorized to issue is
One Thousand shares (number of authorized shares) with a par value of
no par value per share.

• **Fifth:** The name and mailing address of the incorporator are as follows:
Name Fabienne D. Struell, Esq.
Mailing Address 9454 WILSHIRE BLVD., SUITE 711
BEVERLY HILLS, CA Zip Code 90212

• **I, The Undersigned,** for the purpose of forming a corporation under the laws of the State of Delaware, do make, file and record this Certificate, and do certify that the facts herein stated are true, and I have accordingly hereunto set my hand this
6TH day of MARCH, A.D. 2020.

BY: 
(Incorporator)

NAME: FABIENNE D. STRUELL
(type or print)

**ACTION BY SOLE INCORPORATOR
OF
THE RIDGE WELLNESS, INC.,
a Delaware corporation**

Pursuant to the provisions of Section 141 of the Delaware General Corporation Law, the Undersigned as Sole Incorporator of **THE RIDGE WELLNESS, INC.**, a Delaware corporation (the "Corporation"), does hereby adopt the following resolutions:

1. ELECTION OF SOLE DIRECTOR

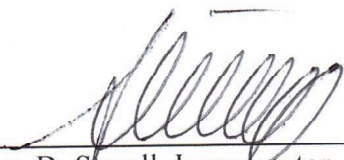
RESOLVED, that the following person be, and she hereby is elected as Director of this Corporation, to serve until her successor is elected and qualified:

NAME	ADDRESS
CAROLINE LEGRAND	8407 Wyndham Road, Los Angeles, CA 90046

2. RESIGNATION OF INCORPORATOR

The Undersigned, as Sole Incorporator of the corporation, I hereby tender my resignation as the Incorporator of **THE WELLNESS RIDGE, INC.**, a California corporation, as of the date set forth below.

Dated effective as of: March 6, 2020



Fabienne D. Struell, Incorporator

**WRITTEN CONSENT OF THE SOLE DIRECTOR
IN LIEU OF
ORGANIZATIONAL MEETING
OF
THE RIDGE WELLNESS, INC.**

The Undersigned being the Sole Director of **THE RIDGE WELLNESS, INC.**, a Delaware corporation (the “Corporation”) hereby consents to and adopts the following resolutions by consent upon waiver of notice to be effective as of March 6, 2020, in lieu of an Organizational Meeting of the Corporation, such actions to have the effect of a vote at a duly constituted meeting.

1. CERTIFICATE OF INCORPORATION

WHEREAS, the Sole Director has been informed that the original Certificate of Incorporation were filed with the Secretary of State of the State of Delaware on March 6, 2020 and that the Corporation is a duly constituted Delaware Corporation. A certified copy of the Certificate of Incorporation has been provided to the Secretary of the Corporation who is hereby directed to insert the certified copy in the Record Book of the Corporation as Exhibit “A” hereof.

RESOLVED, that the Secretary of the Corporation is instructed to insert a copy of the Certificate of Incorporation of the Corporation, as certified by the Delaware Secretary of State, in the Record Book of the Corporation.

2. BYLAWS

WHEREAS, the Sole Director has been presented with proposed Bylaws, a copy of which is attached to this Consent as Exhibit “B.” After inspection and review, the undersigned hereby consents to and adopts the following resolutions:

RESOLVED, that the Bylaws with an effective date as of March 6, 2020, attached to this Consent as Exhibit “B” are adopted as the Bylaws of the Corporation; and

RESOLVED FURTHER, that the Secretary of the Corporation is instructed to certify a copy of the Bylaws and insert them in the Record Book of the Corporation.

3. CORPORATION RECORD BOOK

WHEREAS, the Sole Director wishes to maintain a Record Book of the Corporation for the purpose of collecting and having all important documents of the Corporation readily available.

Accordingly, the undersigned consents to and adopts the following resolutions:

RESOLVED, that Corporation shall obtain and maintain a Record Book of the Corporation, which shall include the Certificate of Incorporation and any amendments thereto, and the Bylaws and any amendments thereto, the minutes of all meetings (or consents in lieu of meetings) of the Sole Director of the Corporation and all other important Corporation documents; and

RESOLVED FURTHER, that the organizing attorney for Corporation is authorized and directed to obtain such Record Book and to present it to the Director of the Corporation for use as a repository of important documents.

4. OFFICERS APPOINTMENTS

WHEREAS, the Sole Director wishes to appoint a President, a Treasurer and a Secretary for the Corporation. Accordingly, the undersigned consents to and adopts the following resolution:

RESOLVED, that the following person is elected as an Officer of the Corporation to hold the positions as set forth opposite her name:

NAME	OFFICES
CAROLINE LEGRAND	President, Treasurer & Secretary

The Officer accepted her appointment as evidenced by her signature on the Acceptance of Appointment by Officer attached to this Consent.

5. BANK ACCOUNTS

RESOLVED, that a bank to be selected and designated by the Sole Director shall act as a depository of the funds of this Corporation, and that a checking account and/or savings account (as deemed necessary by the Director) be established and maintained by and in the name of this Corporation, on and subject to such terms and conditions as the Sole Director of this Corporation, or the Sole Director, may designate from time to time and agree on with said bank; and

RESOLVED FURTHER, that all checks, drafts or other instruments obligating this Corporation to pay money, including instruments payable to officers or other persons authorized to sign them shall be signed by the President of the Corporation, on signatures duly certified to said bank by the Secretary of this Corporation, and said bank is hereby authorized to honor and pay any and all checks so signed, including those drawn to the individual order of any officer or other person authorized to sign the same; and

RESOLVED, FURTHER, that the Secretary of this Corporation is hereby authorized and directed to place a true and correct copy of any bank resolution and signature card executed by the officers and employees of this Corporation, in accordance with the preceding resolutions, and for the purpose of establishing said accounts in the Minute Book of this Corporation, next following the minutes hereof, for purposes of identification and future reference, and all of the specific language of the form of corporate resolutions set forth in said card and preferred by said bank are by this reference incorporated herein with the same force and effect as though fully set forth at length herein.

6. BUSINESS EXPENSES

RESOLVED, that any officer of this Corporation be and is hereby authorized to receive reimbursement for amounts advanced by him or her to or on behalf of the Corporation promptly following the time of such advances and upon his request therefor, so long as such amounts

shall be advanced in the course of activities incident to the furtherance of the interests of this Corporation, and irrespective of whether same be for travel expense, including but not limited to automobile expense, entertainment and/or general business purposes and promotion, or, alternatively, to incur expenses that shall be chargeable directly to the Corporation.

7. REIMBURSEMENT OF DISALLOWED ITEMS

RESOLVED, that any payments made to an officer of the Corporation such as salary, commission, bonus, interest, or rent, or entertainment expense incurred by him or her which shall be disallowed in whole or in part as a deductible expense by the Internal Revenue Service, shall be reimbursed by such officer to the Corporation to the full extent of such disallowance. It shall be the duty of the directors, as a board, to enforce payment of each such amount disallowed. In lieu of payment by the officer, subject to the determination of the directors, proportionate amounts may be withheld from his or her future compensation payments until the amount owed to the Corporation has been recovered.

8. CERTIFICATE OF COMMON STOCK FOR CONTRIBUTION

WHEREAS, the Sole Director desire to offer the shares of Common Stock and issue the same for consideration to the shareholders designated below. Accordingly, the undersigned consents to and adopts the following resolution:

RESOLVED, that it is deemed to be in the best interest of the Corporation to issue and sell one hundred percent of the authorized common stock of the Corporation to the persons for the amounts of consideration set forth below:

<u>NAME OF SHAREHOLDER</u>	<u>CONSIDERATION</u>	<u>NUMBER OF SHARES</u>
Caroline Legrand	\$100.00	1,000

9. FEDERAL TAX MATTERS

The Sole Director desires to authorize certain tax matters. Accordingly, the undersigned hereby consents to and authorizes the following resolutions:

FEDERAL TAX IDENTIFICATION NUMBER

RESOLVED, that the President is hereby authorized and directed to complete, execute, and file or to have completed, executed and filed the “APPLICATION FOR EMPLOYER IDENTIFICATION NUMBER,” Federal Form SS-4, if applicable.

ADOPTION OF ACCOUNTING METHOD

RESOLVED FURTHER, that the President is authorized and directed to maintain the financial records of the Corporation on the basis of the cash method of accounting.

ADOPTION OF TAX ACCOUNTING PERIOD

RESOLVED FURTHER, that the President is authorized and directed to use a calendar taxable year ending on December 31 of each year, as the Corporation's taxable year.

10. INDEMNIFICATION OF ORGANIZER

RESOLVED, that the Corporation shall indemnify and save the organizer harmless for all acts taken by it as organizer of the Corporation, and shall pay all costs and expenses incurred by or imposed upon it as a result of the same, including compensation based upon the usual charges for any time expenditures required of it in pursuit of the defense against any liability arising on the account of acting as organizer or arising on account of enforcing the indemnification right hereunder, and the Corporation releases it from all liability for any such act as organizer not involving willful or grossly negligent misconduct.

11. OTHER NECESSARY ACTS

RESOLVED, that the sole Director of the Corporation is authorized and directed to make such filings and applications and to execute and deliver such documents and instruments and to do such acts and obtain such licenses, authorizations, and permits as are necessary or desirable for Corporation to conduct its business, to fulfill legal requirements applicable to the Corporation or its business, to complete the organization of the Corporation or its qualification to do business wherever it does or desires to do business, and to take any other action necessary or advisable to carry out the purposes of this resolution.

IN WITNESS WHEREOF, the undersigned has executed this Consent of the Sole Director as of the date hereinabove.

SOLE DIRECTOR:



CAROLINE LEGRAND, Director

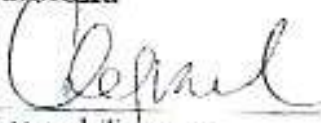
ACCEPTANCE OF APPOINTMENT
AS OFFICER
THE RIDGE WELLNESS, INC.

AS PRESIDENT:



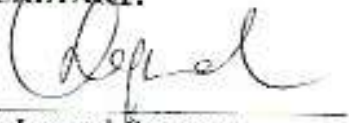
Caroline Legrand, President

AS TREASURER:



Caroline Legrand, Treasurer

AS SECRETARY:



Caroline Legrand, Secretary

EXHIBIT REFERENCE

Exhibit "A" – CERTIFICATE OF INCORPORATION

Exhibit "B" – Bylaws

Exhibit "C" – Contribution to Capital

EXHIBIT "A"

CERTIFICATE OF INCORPORATION

EXHIBIT “B”

BYLAWS

EXHIBIT "C"

CAPITAL CONTRIBUTION



Secretary of State
Statement and Designation by
Foreign Corporation

S&DC-S/N

IMPORTANT — Read Instructions before completing this form.

Must be submitted with a current **Certificate of Good Standing** issued by the government agency where the corporation was formed. See Instructions.

Filing Fee – \$100.00 (for a foreign stock corporation) or
 \$30.00 (for a foreign nonprofit corporation)

Copy Fees – First page \$1.00; each attachment page \$0.50;
 Certification Fee - \$5.00

Note: Corporations may have to pay minimum \$800 tax to the California Franchise Tax Board each year. For more information, go to www.ftb.ca.gov.

This Space For Office Use Only

1. Corporate Name (Go to www.sos.ca.gov/business/be/name-availability for general corporate name requirements and restrictions.)

2. Jurisdiction (State, foreign country or place where this corporation is formed - **must match** the Certificate of Good Standing provided.)

THE RIDGE WELLNESS, INC.

DELAWARE

3. Business Addresses (Enter the **complete** business addresses. Items 3a and 3b cannot be a P.O. Box or "in care of" an individual or entity.)

a. Initial Street Address of Principal Executive Office - Do not enter a P.O. Box	City (no abbreviations)	State	Zip Code
8407 Wyndham Road	Los Angeles	CA	90046
b. Street Address of Principal Office in California, if any - Do not enter a P.O. Box	City (no abbreviations)	State	Zip Code
		CA	
c. Mailing Address of Principal Executive Office, if different than item 3a	City (no abbreviations)	State	Zip Code

4. Service of Process (Must provide either Individual **OR** Corporation.)

INDIVIDUAL – Complete Items 4a and 4b only. Must include agent's full name and California street address.

a. California Agent's First Name (if agent is not a corporation)	Middle Name	Last Name	Suffix
b. Street Address (if agent is not a corporation) - Do not enter a P.O. Box	City (no abbreviations)	State	Zip Code
		CA	

CORPORATION – Complete Item 4c. Only include the name of the registered agent Corporation.

c. California Registered Corporate Agent's Name (if agent is a corporation) – Do not complete Item 4a or 4b

PARASEC

5. Read and Sign Below (See instructions. Office or title not required.)

I am a corporate officer and am authorized to sign on behalf of the foreign corporation.

 Signature

 President

Type or Print Name

RESOLUTION OF SOLE DIRECTOR AND OFFICER
OF
THE RIDGE WELLNESS, INC.,
A DELAWARE CORPORATION

Caroline Legrand, the sole Director and the President of The Ridge Wellness, Inc., a Delaware corporation (the "Corporation"), has determined that the Vacant Land Purchase Agreement and Joint Escrow Instructions dated May 15, 2020, as subsequently amended, by and between Earthstar Ventures, LLC, as Seller, and Caroline Legrand, an unmarried woman, as Buyer, concerning approximately 37 acres of undeveloped real property in the unincorporated area of Mountain Center, County of Riverside, State of California, commonly described as 56475 Apple Canyon Road, Mountain Center, CA 92561 (collectively, the "Contract"), for the price of \$725,000, on terms of \$363,000, cash, with seller financing in the form of a promissory note in the amount of \$362,000, at 4.5 % annual interest, with interest-only monthly payments for ten (10) years from the close of escrow, represents a valuable business opportunity for the Corporation by developing a resort camp attracting guests from the United States and other countries who are interested in learning about and experiencing health and wellness. In connection with executing the Contract, Caroline Legrand also executed certain other escrow instructions and related documents for an escrow to consummate the Contract opened and maintained by Mountain High Escrow in Idyllwild, CA, Escrow No. 4198-JG (the "Escrow").

In order for the Corporation to take advantage of this valuable business opportunity, Caroline Legrand is prepared to assign and delegate all her right, title, interest and obligations under the Contract and the Escrow to the Corporation.

In her capacity as the sole Director and the President of the Corporation, Caroline Legrand hereby resolves to approve, and does hereby approve and accept, the assignment of all her right, title, interest and obligations in, to and under the Contract and the Escrow.

By this Corporate Resolution, the Corporation hereby authorizes and empowers Caroline Legrand to execute an assignment, amended escrow instructions, a promissory note on said terms, a deed of trust to secure payment of the promissory note, and any and all other documents, and to take such further acts or actions necessary or reasonably required to close the Escrow and to effectuate the intent and purposes of this Resolution.

Dated: _____

Caroline Legrand, Sole Director & President

RECORDING REQUESTED BY:
EQUITY TITLE COMPANY

DOC # 2020-0536027

11/02/2020 05:00 PM Fees: \$30.00

Page 1 of 3

Recorded in Official Records

County of Riverside

Peter Aldana

Assessor-County Clerk-Recorder

WHEN RECORDED MAIL DOCUMENT AND
TAX STATEMENT TO:

THE RIDGE WELLNESS, INC.
8407 WYNDHAM ROAD
LOS ANGELES, CA 90046

**This document was electronically submitted
to the County of Riverside for recording**
Received by: TONI #642

APN: 568-070-021 / 568-070-006

/ 568-070-007

TITLE ORDER NO.: 3910220-04151

ESCROW NO.: 4198-JG

TRA: 071-301

THIS SPACE FOR RECORDER'S USE ONLY

GRANT DEED

The undersigned Grantor(s) declare that the **DOCUMENTARY TRANSFER TAX IS: \$ 797.50 County**
 computed on the full value of the interest of property conveyed, or
 computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale.
 OR transfer is EXEMPT from tax for the following reason

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, EARTHSTAR VENTURES, LLC, a California limited liability company

HEREBY GRANT(S) to THE RIDGE WELLNESS, INC., a Delaware corporation

All that real property situated in the Unincorporated area, County of Riverside, State of California, described as:

**THE PORTION OF SECTION 4, TOWNSHIP 6 SOUTH, RANGE 3 EAST, SAN BERNARDINO BASE AND MERIDIAN,
IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS MORE PARTICULARLY DESCRIBED IN EXHIBIT "A"
ATTACHED HERETO AND MADE A PART HEREOF.**

Commonly Known As: 56475 APPLE CANYON RD., MOUNTAIN CENTER, CA 92561

Dated: October 28, 2020

EARTHSTAR VENTURES, LLC

By: 
COLIN J. PARKER, MANAGER

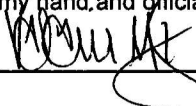
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

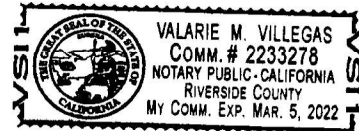
STATE OF CALIFORNIA }
COUNTY OF RIVERSIDE }
On OCTOBER 28, 2020, before me,
VALARIE M VILLEGAS, a Notary Public
personally appeared COLIN J. PARKER

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature 
Commission Expiration Date: MAR 5, 2022



(PLACE SEAL ABOVE)

MAIL TAX STATEMENTS AS DIRECTED ABOVE

ORDER NO. 3910220-04151

EXHIBIT "A"

THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 6 SOUTH, RANGE 3 EAST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY UNITED STATES GOVERNMENT SURVEY.

EXCEPTING THEREFROM ANY PORTION THEREOF LYING WITHIN STATE HIGHWAY 74, LAKE HEMET DRIVE AND APPLE CANYON ROAD;

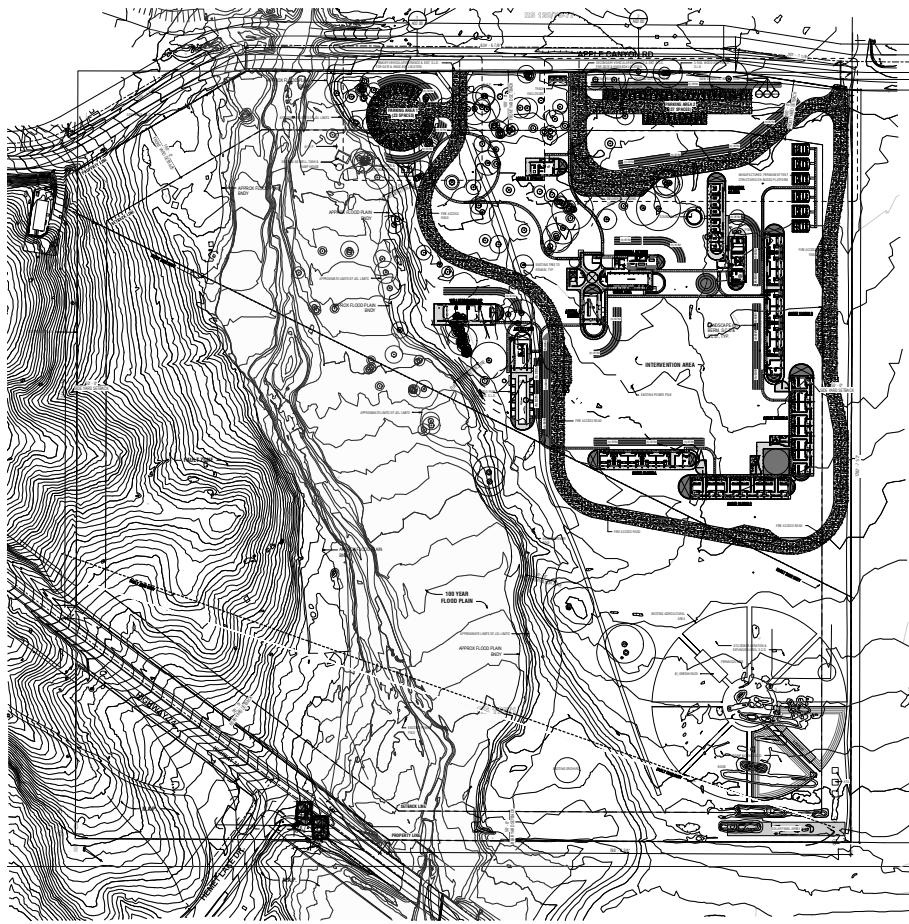
ALSO EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE COUNTY OF RIVERSIDE BY DEED RECORDED NOVEMBER 8, 1955 IN BOOK 1817 PAGE 296 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

APN'S: 568-070-021, 568-070-006 & 568-070-007

*****END OF LEGAL DESCRIPTION*****

Appendix C

Plumbing Quantities



MASTER PLAN
1" = 80'

DA
DAVIS ASSOCIATES, INC.
2000 S. MAIN STREET
SUITE 200
SANTA ANA, CA 92705
714.241.1100
www.davisassociates.com

Revision Schedule			
No.	Description	Date	By

THE RIDGE
WELLNESS INC

THE RIDGE
6678 APPLE CANYON ROAD
MOUNTAIN CENTER, CA 92661

CUP 21 0121

MASTER PLAN



DATE	22.003
SCALE	1:800 (2")
PROJECT	THE RIDGE
CLIENT	THE RIDGE
DESIGNER	DAVIS ASSOCIATES, INC.

A01.00

DATE	11.14.2017
------	------------

TOTAL SYSTEM WSFU AND DFU			
Appliances, Appurtenance, or Fixtures	Quantity	WSFU	
		Public	Total
Bathub or Combination Bath/Shower	30	4	120
Dishwasher	2	1,5	3
Lavatory	56	1	56
Kitchen Sink	2	1,5	3
Prep/ Rinse Sink	4	1,5	3
Hand Sink	4	1,5	3
3-Compartment Sink	1	3	-
Shower, each head	18	2	36
Water Closet, 1,6 GPF Gravity Tank	37	2,5	92,5
Water Closet, 1,6 GPF Flushometer Valve	9	5	45
First Hose Bibb	1	2,5	2,5
Hose Bibb, each additional	10	1	10
1/2"CW for Ice Maker, Coffee Maker, Tee Maker,....	5	0,5	2,5
Steam Bath	2	2	4
	181	TOTAL WSFU:	380,5
		TOTAL GPM:	125

TOTAL PLUMBING FIXTURES								
Plumbing Fixtures	Activity Hub	Delivery Unloading Area	Guest Cabin	Tented Guest	Wellness Cabins (Treatment)	Wellness Cabins (Changing/ Storage)	Common Area	Total Plumbing Fixtures
WC with Flush Valve	2	1			1	2	3	9
Lavatory	2	1	30	6	8	6	3	56
Kitchen Sink		1				1		2
Refrigerator/Ice Maker		1				1	3	5
Shower per head				6	1	2		9
WC with Flush Tank			30	6	1			37
Bathub or Tub-shower combo			30					30
Outdoor Shower	1		7			1		9
Dishwasher							2	2
Prep/Rinse sink							4	4
3-Compartment Sink							1	1
Hand Sink							4	4
Steam Bath						2		2
Hose Bib or Roof Hydrant								11
								181

ASSUMPTIONS AND QUESTIONS
1. Activity Hub Building: Previous calculations shows 3 sinks; however, it is not show on the current floor plans and therefore, it has been not considered, Please confirm.
2. Guest cabin C: Previous calculation show 8 cabins, Previous calculations considered with shower as well as bathtub, Current plan shows 8 bathtubs and 7 outdoor showers, Therefore 7 outdoor showers have been considered instead of 8 as shown in previous calculations.
3. Hydrotherapy Room: Previous calculations show 1 WC and 1 Lav, However, the current plan does not show this, Please confirm.
4. Wellness Cabins: Previous calculations show them with a bathtub which is not on current plan, For now, we have not considered it, Please let us know if we need to add it.
5. We have considered 11 hose bibs required for cleaning purpose on outside the building and on the roof near mechanical equipment.
6. Kitchen equipment list shows 22 Hand Sinks, However, 22 are not found, Please provide the number we should consider.
7. Please confirm that project does not have any MOP Sink, Seems like it should have a mop sink somewhere

Appendix D

Letter from LHMWD

Board of Directors

Todd A. Foutz
President
Division 3

Steven A. Pastor
Vice President
Division 5

Frank D. Marshall III
Secretary / Treasurer
Division 1

Larry Minor
Division 4

D. Joe Jorgensen
Division 2



Staff

Michael A. Gow
General Manager/
Chief Engineer

Kathleen Billinger
Asst. Secretary/Treasurer

LeAnn Markham
Admin. Services Manager

Will Carter
Operations & Maintenance
Manager

Andy Forst
Construction Manager

Mailing Address: P.O. Box 5039, Hemet, CA 92544-0039
26385 Fairview Avenue, Hemet, CA
Phone: 951/658-3241 Fax 951/766-7031
www.lhmwd.org

Date: November 5, 2021

Project: The Ridge Wellness Center
56475 Apple Canyon Road
Mountain Center, CA

APN: 568-070-021

Location: East of SR 74/South of Apple Canyon Road

To Whom It May Concern:

The subject project is outside the boundaries of and consequently is not eligible for service from the Lake Hemet Municipal Water District.

If you have any questions regarding this matter, please contact me at (951) 658-3241.

Sincerely,

Mike Gow
GM/Chief Engineer

Appendix E

Net Present Value Estimates

SUSP

Net Present Value

Ridge Wellness Center New Public Water System

Initial cost:	Adj. 20 yr O&M:	Net Present Value:
\$773,000	+ \$1,080,000	= \$1,853,000

Operations and Maintenance	Quantity	Unit	Period	Cost/Unit	Annual Cost	Overhaul Cost
General Labor - Grade II Operator	6	hour	Week	\$125.00	\$39,000.00	
Electricity for booster pump	7.5	kW-hr	Day	\$0.17	\$465.38	
Electricity for well pump	18	kW-hr	Day	\$0.17	\$1,116.90	
Recurring Materials	1	LS	Year	\$3,000.00	\$3,000.00	
Sampling and reporting	1	LS	Year	\$4,000.00	\$4,000.00	
Recording and compliance labor	20	hour	Month	\$100.00	\$24,000.00	
Recurring Labor	40	hour	Year	\$90.00	\$3,600.00	
			Years			
Full Overhaul Materials	1	LS	10	\$10,000.00		\$10,000.00
Overhaul Labor	40	hour	10	\$120.00		\$4,800.00
			Totals:	\$75,182.28		\$14,800.00

Calculations of Annual Costs:

Assumed Discount Rate: 4%

Year	NPV Ann. Cost	NPV O/H Cost:
1	\$75,182.28	
2	\$72,290.65	
3	\$69,510.24	
4	\$66,836.77	
5	\$64,266.12	
6	\$61,794.35	
7	\$59,417.64	
8	\$57,132.35	
9	\$54,934.95	
10	\$52,822.07	\$9,998.35
11	\$50,790.45	
12	\$48,836.97	
13	\$46,958.63	
14	\$45,152.53	
15	\$43,415.89	
16	\$41,746.05	
17	\$40,140.43	
18	\$38,596.57	
19	\$37,112.09	
20	\$35,684.70	\$6,754.53
Total:	\$1,062,621.72	\$16,752.88

SUSP

Net Present Value

Ridge Wellness Center Consolidation with LHMWD system

Initial cost:	Adj. 20 yr O&M:	Net Present Value:
\$2,051,000	+ \$961,000	= \$3,012,000

Operations and Maintenance	Quantity	Unit	Period	Cost/Unit	Annual Cost	Overhaul Cost
Water service fee	15	Each	Month	\$178.70	\$32,166.00	
Unit charge	131	ccf	Month	\$3.75	\$5,895.00	
General Labor - Grade II Operator	2	hour	Week	\$125.00	\$13,000.00	
Electricity for booster pump	15	kW-hr	Day	\$0.17	\$930.75	
Recurring Materials	1	LS	Year	\$3,000.00	\$3,000.00	
Sampling and reporting	1	LS	Year	\$4,000.00	\$4,000.00	
Recording and compliance labor	5	hour	Month	\$100.00	\$6,000.00	
Recurring Labor	20	hour	Year	\$90.00	\$1,800.00	
			Years			
Full Overhaul Materials	1	LS	10	\$10,000.00		\$10,000.00
Overhaul Labor	40	hour	10	\$120.00		\$4,800.00
Totals:					\$66,791.75	\$14,800.00

Calculations of Annual Costs:

Assumed Discount Rate: 4%

Year	NPV Ann. Cost	NPV O/H Cost:
1	\$66,791.75	
2	\$64,222.84	
3	\$61,752.73	
4	\$59,377.62	
5	\$57,093.87	
6	\$54,897.95	
7	\$52,786.49	
8	\$50,756.24	
9	\$48,804.08	
10	\$46,927.00	\$9,998.35
11	\$45,122.11	
12	\$43,386.65	
13	\$41,717.93	
14	\$40,113.39	
15	\$38,570.57	
16	\$37,087.09	
17	\$35,660.66	
18	\$34,289.10	
19	\$32,970.29	
20	\$31,702.20	\$6,754.53
Total:	\$944,030.55	\$16,752.88