



Bob Evans
5639 West Camino Cielo
Santa Barbara, CA 93105

Dear Bob Evans,

21 August 2006

This is in response to your request for comment from Romaldo Community Water Company “the Company” on adding a service connection (the Connection”) at 5639 West Camino Cielo (“the Address”).

The Company has 12 service connections as defined in SB Code 34B-2 and your new Connection¹ will bring us to 13, which is below the limit of 14 allowed under the definition of a “State small domestic water system”.

While the Company has not conducted any feasibility study there are no outward signs that your Connection will unreasonably burden the Company. Historically, during periods of drought, all Connections have restricted usage and this additional Connection must also abide by drought measures and all other rules outlined in the Company By-Laws at <http://romaldo.graphicengineering.com/romaldo/policies.asp?show=bylaws>.

Any costs associated with the addition of the Connection: including feasibility studies, plumbing to or from the well head, or permitting must be fully covered by the Address. This letter is only in reference to the Company and the Address at this time (Summer-Winter of 2006) and is not a guarantee of supply in the future, beyond that expected of other Connections supplied by the Company.

As you expressed to me several months ago it is my understanding that the number of residents served by the Company will not change with this new Connection. In other words, this Connection is only designed to better serve the current residents rather than to enable a higher population density at the Address.

Best Regards,

A handwritten signature in black ink that reads "William E. Hurst". The signature is written in a cursive, flowing style.

Bill Hurst
President, Romaldo Water

¹ My understanding is that the Address currently only has one Connection at this time.