

Monday April 1, 2013

Sent via email 11AM 4/1/2013  
[wrhearing@waterboards.ca.gov](mailto:wrhearing@waterboards.ca.gov)

In regards to: Milview Proposed Revocation Hearing  
Former Masonite Corporation Water right # 7573  
Dear Sirs,

In April of 2003, Mr. Charlie Sawyer and I purchased 160 acres of industrial zoned ground from the Masonite Corporation in Ukiah, California. Masonite at the time was just shutting down its wood processing operations started in the 1950's. Our project is named the Hop Kiln Industrial Park after one of the last two, I think, remaining authentic hop kilns standing in the entire Ukiah Valley.

We were not prepared to purchase the industrial ground without water so were able to get Masonite to agree to allocate a portion of the existing Water right 7573 to our purchased ground at the rate of 1-acre foot of water / acre of ground purchased.

In other words, as a condition of purchase we retained the right From Masonite to allow us to use 160-acre feet of water from license #5763 as long as:

1. It was utilized on only the 160 acres purchased from Masonite.
2. Therefore used only on the permitted designated place of use under license #5763.
3. Used in a manner and for a use (industrial) only as allowed by license #5763.

Since Charlie and I were never in the water business, it was our intent and continues to be so, to wheel that right to a water agency to deliver and treat back to our property. To that end, we entered into serious discussions with not only the Millview Water District but also the Mendocino County Water Agency (MCWA). In early negotiations, we were even going to purchase the water right in its entirety from Masonite and sell it at time of closing to Millview or the MCWA. It was simply too big a deal for us in a science that we did not understand.

Since we purchased the ground, we have been unsuccessful in being able to sell or develop it. We have had it listed on four separate occasions with four separate real estate houses.

- 1 Keegan and Copin
- 2 John Prince
- 3 Ourselves
- 4 Selzer Realty

In addition, we have been in escrow or very serious negotiations with at least 10 different buyers:

- 1 Ms. Bridget Delaura
- 2 Crown Pacific Corp

- 3 Guillon Construction
- 4 Nu Forrest Products
- 5 Amy's Kitchen
- 6 Light Beam Energy
- 7 Soil builders Inc.
- 8 Ryder Construction
- 9 Co Gen America

Currently Maverick Enterprises has purchased and is under construction of a 25,000 square foot factory, where they will manufacture closures for wine bottles. This is the first sale of ground and the first development project. The facility has broken ground, has all permits in place, has completed all compaction and will have all slabs completed in 3 weeks. Currently Maverick Enterprises has no domestic water for this project and we are very much relying on the Masonite right 7573 to supply it.

100% of the 160 acres that we purchased from Masonite were open fields with no existing industrial use for water. We have been diligent in marketing the ground for industrial use and have been caught in a vacuum between Masonite, the Water Board, The Great recession and Millview.

Due to the fact that we purchased 160 acres of the 287 total acres owned by Masonite or **56 % of the total acreage**, and are asking you to preserve for our direct use 160 acre feet of the close to 4,400 acre feet of the right or only **4% of the total water right** seems to be entirely reasonable.

**This water would be used on the existing licensed place of use in a manner particular to the license.**

**Please, please do not make us forfeit the 160 acre feet of water allocated to the Hop Kiln Industrial Park from license 7573. We simply have no other alternatives for water.**

Thank you very much for your consideration.

I am currently at home with the flu and am about ready to die. However, please do not hesitate to call with any questions prior to, during or after your Tuesday meeting.

Daniel c. Thomas for the Hop Kiln Industrial Park  
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