

TO: PSWID Board of Directors DATE: June 20, 2019

FROM: Cato Esquivel
District Manager

RE: DISTRICT MANAGERS REPORT – AGENDA ITEM 5E

ADMINISTRATION

Ponderosa Water Company

During my research with Az Corporation Commission I discovered that Ponderosa Water changed their name from Strawberry Water to Ponderosa Water Company in 2013. I also found out that Ponderosa Water CC&N for approximately 38 acres was revoked in November of 2010, and their CC&N is still revoked.

CC&N is a certificate of public convenience and necessity. It is a type of regulatory compliance certification for public service industries. Private companies providing essential public services in certain counties must be granted a CC&N before constructing facilities and offering services.

The District has received several requests from Ponderosa Water customers to connect onto PSWID water distribution system. We were able to accommodate a couple of requests because they were located within PSWID service area. We were unable to accommodate the other request because these customers are located outside the District service area and within Ponderosa Water service area.

Pinewood Haven/Rim Vista Pipeline Project

On June 6th an incident occurred between an IMWCC employee and a Pine resident along Old County Rd.

The incident began when the resident approached an IMWCC employee to let him know that he had parked his construction equipment on his plants. The IMWCC employee began laughing. At that time a verbal argument ensued followed by a physical confrontation. They were separated before anything more could occur.

When I arrived at the construction site I requested to speak to the IMWCC employee but he had left because he was afraid he was going to be arrested. I then spoke and met with the resident (husband and wife).

The wife explained that when her husband approached and asked the IMWCC employee not to park the equipment on their plants the employee began laughing and after her husband responded to the employee's laughter an intense verbal argument began. During the verbal exchange, the IMWCC

employee made a derogatory comment towards the wife, at which time the husband threw his cup of coffee in the IMWCC employees face.

I apologized to the couple for the contractor's behavior, I asked if there was anything they needed from the District or wanted the District to do. She responded no and thanked the District for their concern.

Milk Ranch Wells 1 & 2

As you may recall we have been working on getting Milk Ranch Well back online. Since it has been out of service since 2014, ADEQ required the District to provide results for acute contaminants, total coliform bacteria, nitrate and nitrite, resample and provide samples for Inorganic Chemicals (IOCs) - arsenic, barium, cadium, chromium, cyanide, fluoride, mercury, selenium, antimony, beryllium, and thallium.

We provided the results to ADEQ. All the required information was accepted and confirmed by ADEQ that the test results provided were all under the MCL. MR1 reactivation date will be May 7, 2019.

These wells were placed online May 29th. We are using a portable turbidity meter to detect particulates at 1 NTU or less. Drinking water should have a turbidity of 5 NTU/JTU or less.

All three MR wells have been online 24 hours a day for about two weeks. This has allowed us to turn off most if not all of the private wells, along with some of our wells. Tanks are mostly filled full throughout the day.

We are producing about 250,000 gallons per day, or 7 MG per month out of the three MR wells.

OPERATIONS

Canyon Tanks

Staff has completed excavating the hillside at the Canyon Tanks tank site. The area excavated will accommodate the proposed 200,000-gallon steel tank. We have finalized the location of the proposed 200,000-gallon tanks which is illustrated in the attached site plan.

We are in the process of finalizing cost proposals for the Task Order and once finalized it will allow Superior Tank to begin mobilizing in June 2019. The excavated area will allow us to construct the new steel tank while keeping the existing tanks online and in operation.

300K Tank and Booster Site

We have met with the property owner of the trailer park adjacent to our 300k Tank site. We have reached a tentative agreement that approximately one-half acre (the entire tank site) will be deeded over to the District. We are in the process of completing the survey of the site and once completed we will review the draft ROS with the property owners. Once approved we will proceed finalizing the deed.