

On January 28, 2008 Mr. Haney gave testimony in support of Mr. Pugel's ACC action to remove himself from the Pine Water CC&N, docket number W-03512A-06-0407. The testimony addressed the cost of connecting the Milk Ranch well into the Pine Water Company system. This testimony was intended as rebuttal to the Pine Water Company plan to connect the Milk Ranch well with an 8 inch main to the 300,000 gallon storage tank at the north end of Pine. This storage tank is the main feed point for all of Pine and the point at which water can be sent to Strawberry. A construction firm, Tetra Tech, provided an estimate of \$892,000 for that 8 inch main.

In his testimony, Mr. Haney makes the claim that the Milk Ranch well can be connected at a cost of \$20,000 and be able to serve the western and southern portions of Pine. He also states that for \$110,000 to \$150,000, a booster station can be added that would send water up to the 3000,000 gallon storage tank, which would allow the water to reach Strawberry through the Magnolia pipeline.

A high level view of the water system is shown in the figure below. The figure shows the placement of the main storage tanks, the main lines connecting them, the three separate zones for water distribution from those tanks, and the location of the Milk Ranch well.

The details of his testimony are summarized as follows:

- A 4 inch line runs within 250 feet of the Milk Ranch well and the Milk Ranch well would be connected to that
- This 4 inch line would provide a path to the 150,000 gallon tank at the end of Watertank Road
- The booster station would be installed somewhere on the 6 inch line that is north of the southern property line of the school on North Pine Creek Drive

Mr. Haney's analysis is flawed for the following reasons:

- There is a pressure reduction valve (PRV) between where the Milk Ranch well would be connected and the 100,000 gallon storage tank (Mr. Haney incorrectly said that this was 150,000 gallon in his testimony). Water can not flow from the low pressure side to the high pressure side of the PRV, so the Milk Ranch well will not be able to supply water to the storage tank or the 6 inch line that runs to the 300,000 gallon storage tank.
- The 4 inch main where the Milk Ranch well would be connected is physically connected to only a small part of the service area, basically both sides of Highway 87 going south from the Milk ranch well. As a result there are very few customers that would have access to the Milk Ranch well water.
- The 4 inch main is made of black PVC with a maximum pressure of 40 psi. Since this type of pipe can not take much pressure, it is isolated from the rest of the system by PRVs. The water from the Milk Ranch well will not be able to exit that area using the existing pipes.

The bottom line is that the Milk Ranch well will require connection to a new dedicated main in order to move its water to a storage tank where it can then be provided to the rest

of the system. The only storage tank that can be used as a point of distribution to both Pine and Strawberry is the 300,000 gallon tank.

The future needs to be considered as well. There has been a great deal of talk about the water district drilling its own deep well several years after it acquires ownership of the water companies. Based upon the Zonge Engineering under ground survey, the likely areas to drill in Pine are in the southeast portion, near where the Milk Ranch well is located. In anticipation of the large volumes of water that those two wells can provide, it makes sense to put in the connection to the 300,000 gallon storage tank now rather than pay for a lesser solution and then have to pay for the full solution later.

The PSWID board needs to take these costs into account when they are making decisions about the K2 well and the purchase of the water companies.

