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N C Utilities Commission
Raleigh NC

Via e-file

In Re: Quarterly Report on Progress
W-1075 sub 12

Pursuant to Provision 14, page 31, of Order entered in the above docket on 6-Aug-2018, we submit the following report concerning progress in improvement of production of Southern Trace Well 2.

As reported in our 6-Apr-2019 report Quarterly Report: We reported that efforts had been made to acquire a full e-mail address list for our customers. This has not been particularly successful, as we only have e-mail addresses for approximately 60% of the customers, although we are obtaining them of new customers. Several attempts have been made to further this effort will little response from the customers. We also reported that we were attempting to make contact with the owner of an adjoining property that contains several un-used previously public water system wells in an attempt to acquire one or more of them and the appropriate easements for water lines to connect them to the Southern Trace distribution system. Our attempts to affect the acquisition were summarily rebuffed.

Our management contractor, Management Group of NC, is near roll-out of an e-payment portal that will allow us to better accumulate e-mail addresses, as customers use the e-payment system. They also continue to obtain e-mail addresses from new customers.

As reported in our 11-Jul-2019 report, Mr. Stafford has identified one potential location for another well within the environs of Southern Trace. That location is quite complex, however, as it will require the acquisition of a small well site and protective easements from multiple property owners, and the piping of a rather large drainageway away from the proposed wellhead location to clear the protective easement of potential sources of contamination. He has contacted an engineer familiar with permitting such a stream relocation but has not received any firm recommendation to date.

In our 14-Oct-2019 report we advised that a dowser had been contacted to provide suggested locations for potential wells within the environs of Southern Trace. The dowser was accompanied by Mr. Stafford's son, who is actively involved in the operation of KRJ. The dowser located two specific locations that he felt that a well would have a potential for a usable yield rate. One location would consume nearly half of an occupied residential lot and, due to terrain, would be quite difficult to access with a drill rig. The suggested anticipated yield at that location was approximately half of the yield reduction observed with well 2.

The second potential well location is located in open space held by Southern Trace HOA, with a portion of the NCAC required 100-foot protective radius overlapping the rear yard of an adjoining lot occupied by a residence. The dowser predicted that a yield from a well installed at the precise location he indicated should produce sufficient flow to offset the lost yield from well 2. A surveyor has been retained to identify

the specifics of the location so that a protective easement can be obtained from both the HOA and the affected property owner. Soon after the surveyor was on the site, I received a call from the President of the HOA inquiring as to the process of identifying location, obtaining preliminary approval from Public Water Supply, negotiation of property interests, installation of the well, testing of the well product, design of treatment systems, permitting of treatment systems, and their installation. I explained the entire process and offered to attend a teleconference with the entire HOA Board so that I could explain the process to all of the members, so the President wasn't put in the position of attempting to recall and relate a relatively complex process. Thus far, I have not been invited to such a teleconference.

As soon as a final survey of the well site is available, a well site approval meeting will be scheduled with Public Water Supply and if they are agreeable to the proposed well site, formal contact will then be made by KRJ with both the HOA and the affected property owner in an attempt to obtain a protective easement suitable to Public Water Supply.

We will continue to provide updates to the Commission, as required in the order, as the work is prosecuted and results quantified.

Respectfully



James R. Butler, Manager