

## Attachment L.1

Although a detailed and comprehensive description of the water system serving the Bear Den Acres Development and a preliminary assessment of necessary renovations and repairs can be found in the engineering memorandum prepared by McGill and Associates (which we have designated “Confidential”), the following summary could be made available to the public.

The water system serving the Bear Den Acres Development currently has two water wells. Well 2 is the primary well. Well 1 is used as a backup, but its pump is more than 25 years old and can produce only about 10% of its design yield, which means Well 1 currently is not adequate as even a backup water source. Piping at both well houses is showing signs of age, including corrosion and leaks in some places. The system’s storage tank is structurally sound; however, the sight level gauge was removed at some point in the past and needs to be replaced.

The distribution system has a history of significant water loss. The previous owner began a program to identify and replace sections with significant leaks, however portions of the distribution system still require repair or replacement. Notably, there are about 2,410 linear feet of galvanized iron water mains, which may have been responsible for most water losses, should be replaced. The water meters are old and should be replaced soon.

The system has a mostly clean compliance history, although we noted several violations for failure to complete required reporting or complete public notices related to reporting.

To ensure longevity of system components and improve performance of the Bear Den Acres Water System, Red Bird has identified several required improvements and upgrades. The underperforming well pump at Well 1 must be replaced to allow it to function as a true backup source for the system. The piping in both well houses must be replaced to ensure longevity, and the site gauge on the storage tank also must be replaced. The leak identification program will continue, with an objective of annually replacing 1,200 linear feet of iron mains with modern piping. Water meters would be replaced over the next several years, with a target of approximately 15 meters per year. All these improvements would ensure the system can provide safe and reliable service to customers and would bring the facilities into a maintainable condition moving forward. Projected costs of these improvements are set out in the following table:

<b>Item</b>	<b>Cost</b>
Replace 3HP Well Pump	\$9,000
Replace Well House Piping	\$5,000
Replace Site Gauge on Water Tank	\$1,500
Water Line Replacement – 1200 per year till iron pipe is all replaced*	\$42,000
Water Meter Replacement – 15 per year till all re are replaced*	\$33,000
* Annual cost till all iron water lines and all meters are replaced	