

WELL 7 - Success! Well 7 officially tested out at 1500 gpm and indications are that it could produce a couple hundred gpm more than that, but that is all the test motor could handle. So we have ourselves a "gusher" -- good news all around. The downside of this report is that we encountered an unfortunate 2 month delay in getting the well test pumped and certified due to the American Steel requirement associated with using federal funds (our loan source). With our well coming in so high, we had to use bigger diameter casing for the test pump and all that casing had to be certified US made. Since most of the US steel mills have closed down in deference to cleaner US air and cheaper foreign production, it forced us to have to sit on our hands until a domestic supplier could get to us on the list. All this, plus a need to revise the design for Well 7 Pumping Facility (needs bigger pipes, bigger pump, bigger pump base, etc) translates to a corresponding slip in our ability to get the bid package out for the rest of the major construction items (new tanks, booster stations and Well 7 pumping facility).

What all that means is that the major construction work will not be completed before snow flies as we had originally hoped. It also means we hit a bad point in the bid cycle in that when bid hits the streets, potential bidders will be up to their elbows in current work and stopping to prep bids makes them less "hungry". However, in consulting with the engineer, we have determined that we can incentivise bidders. Rather than dictate to them that they WILL meet our schedule of having everything in place by end of year, we will instead tell them they can set their own schedule, but MUST have well 7 fully operational by 1 Apr and have substantial completion of all the other components by 15 May. That allows them the discretion to plan their work so as to keep things in their queue and employ their crews during an otherwise slack time. That is a BIG deal to contractors and gets their attention.

With well 7 on line and supplying Tank 2 directly, we have no problems meeting the demand for irrigation season start up -- even if things should slip a bit on the 15 May date for the other two tanks and booster stations. Permanent power will also be in place at the Tank 1 site and so if we needed to kick in the bypass system that is now routing water directly from Well 5 to Tank 2 for additional augmentation, we could do so without running the noisy standby generator

SCADA - All the new SCADA equipment for our existing pumps, valves, tanks and controls is in and working very well. We have had some problems with the sensitivity adjustments that have meant our operator has had little rest responding to alarms that really weren't alarms and discovering non-alarms that should have been real ones...but most of that troubleshooting seems to be behind us and the system is light-years better than the old one. The contractor has also built all the panels for the new facilities that will come on line with the rest of the construction and those are being stored in their secure facility until time to install. In addition, the new flowmeters have been installed at each of our wells and Middle Fork Booster station (Sagewood Booster work is underway) and we are now able to actually measure our flows in the system as opposed to using Kentucky Windage calculations.

OVERALL DESIGN - As indicated above, our Final Design package had to be modified once Well 7 came in with such high capacity. It will be ready to go to DEQ for

review/approval by the end of the month and should be ready to go out for bid within 30 days of that.

GENERAL - Jake Dustin, who has been overseeing this project on behalf of CLWC, and his wife, Carolyn, have been called to serve an 18-month Military Relations Mission for the LDS Church in Seoul Korea. They leave on 29 July. Given the level of attention that will be needed for this next phase of the project, the Board has decided to divide the project duties between 2 individuals going forward. Todd Cornelison, who was elected to the Board at the Annual Membership Meeting this past April - and who was subsequently elected as Vice President of the CLWC Board, will assume the administrative duties (reviewing invoices, preparing funds requests, interfacing with DEQ, etc) and Rory Olson, a member-at-large, will manage the technical side of things (reviewing designs, bid packages, interfacing with engineer and contractors, etc).