

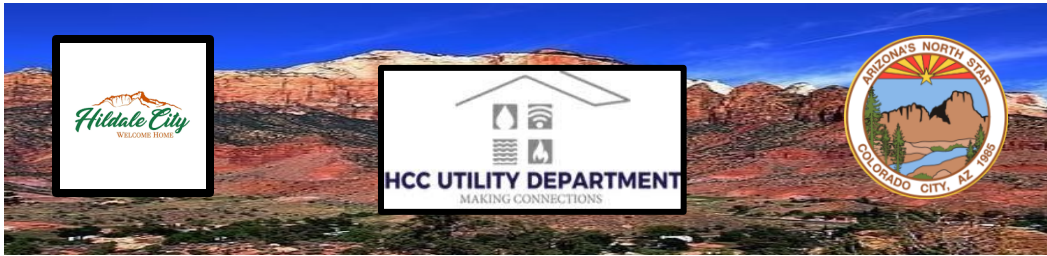
Utilities Monthly Report October 2024

Gas Operations:

Natural Gas

Gas staff delivered and hooked up two (2) propane tanks for customers. Staff installed 260 feet of one (1) inch gas service line on Central Street south of Mohave Avenue which will serve a new institution building. Staff installed 960 feet of three quarter (3/4) inch gas service line south of Mohave Avenue and Hildale Street that will serve seventeen (17) new connections. Staff installed a gas rotary meter on Central Street south of Johnson Avenue to serve a new business. Mitch Jessop and Jay Moody attended the Pipeline Safety Seminar in Pheonix Arizona on October 11, 2024. They are now certified members of the Pipeline Hazardous Materials Safety Administration (PHMSA) agency.

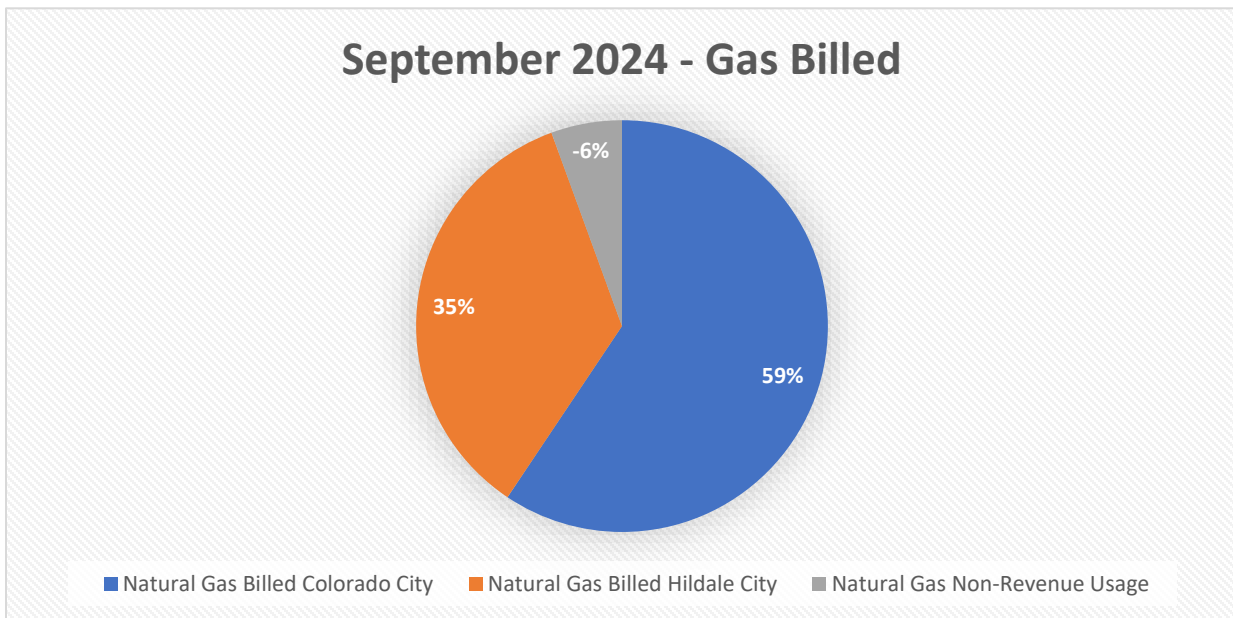




Natural Gas billed Colorado City and Hildale City customers for September 2024.

| Description | Quantity Billed* | Number of Customers |
|----------------------------------|------------------|---------------------|
| Natural Gas Purchased | 1,299,500 | |
| Natural Gas Billed Colorado City | 868,400 | 393 |
| Natural Gas Billed Hildale City | 512,500 | 315 |
| Natural Gas Non-Revenue Usage | (81,400) | |

*Numbers are in Corrected Cubic Feet (100 Corrected Cubic Feet = 1 Therm)



Propane Service

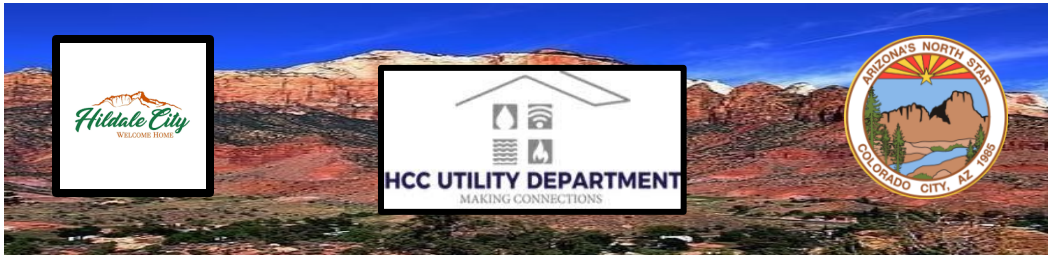
Gas Staff delivered 5,497 gallons of propane to tank customers in September.



Sewer Operations:

The Utility Crew cleaned approximately 800 feet of sewer main line this month and will continue sewer jetting in the cooler months as water restrictions are reduced. Staff cleaned out the Sewer Lift Station and inspected pump #1 as part of the maintenance and inspection program. The Vac-Truck was used to remove the grease, rags, and sediment from the vault. The pumps were removed cleaned and reinstalled as well as the back check valves.





Water Operations:

The Utility Crew repaired damaged water main valves and hydrants. There have been some delays with receiving the fire hydrant parts and we expect to finish up repairs next month. The Utility Team participated in the Lead and Copper Rule Survey by inspecting water service lines on approximately seventy (70) residential and commercial connections. In addition, staff documented pipe composition and ensured that all services have proper materials to maintain drinking water quality. The Crew is working with the engineers on getting the Water Treatment Plant certified through Arizona Department of Environmental Quality (ADEQ).

Well 17

The Crew finished the fence and hung the gates around Well 17.

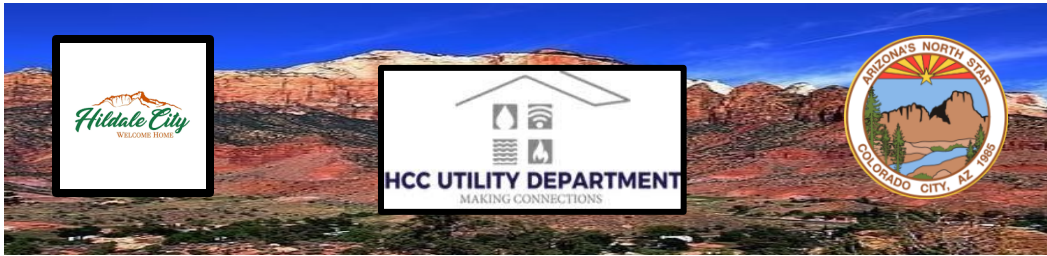




Well 25

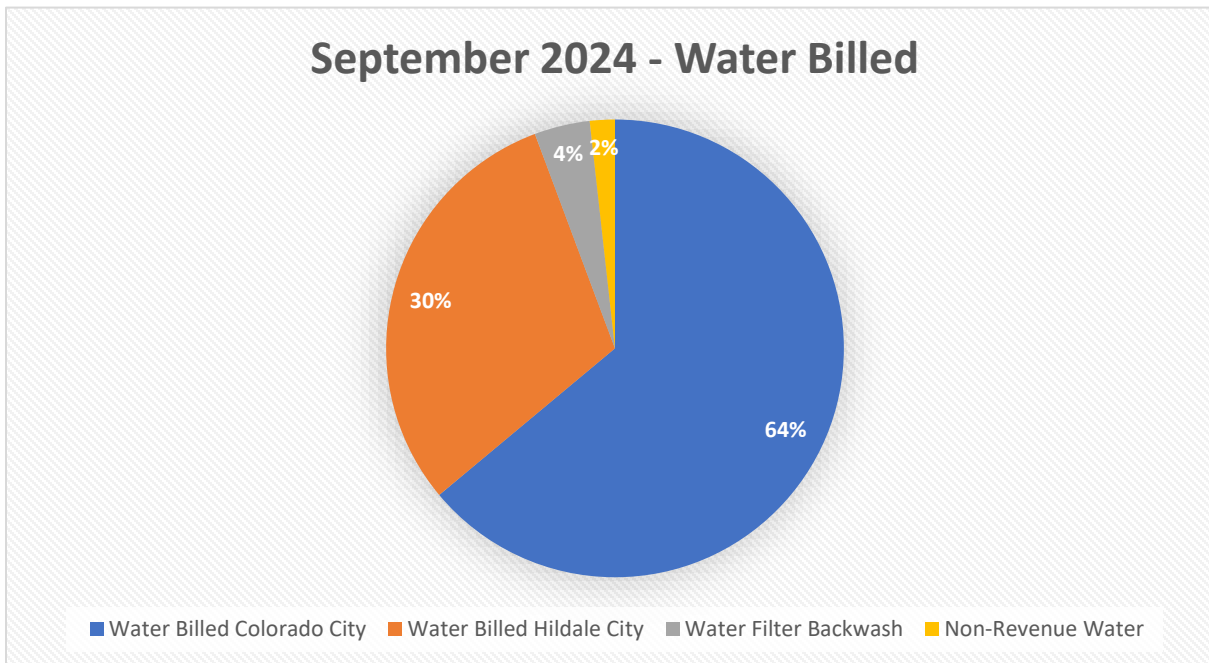
Well 25 is being drilled at the Water Plant yard with steady progress. The current depth of the well as of October 28, 2024 was over 500 feet below ground surface (bgs).





Water billed to Colorado City and Hildale City customers for September 2024.

| Description | Quantity Billed* | Number of Customers |
|----------------------------|------------------|---------------------|
| Water Produced | 33,636,000 | |
| Water Billed Colorado City | 21,506,000 | 807 |
| Water Billed Hildale City | 10,216,000 | 377 |
| Water Filter Backwash | 1,320,000 | |
| Non-Revenue Water | 594,000 | |
| *Numbers are in gallons | | |





Administration:

Work on the \$1.4 million Colorado City Mohave County ARPA Grant for Water Improvements is estimated to be substantially completed by early December of 2024. The Raw Water main is installed and will be connected to the system after the line is flushed, disinfected and sampled. Well #25, at the Water Treatment Plant site, has been drilled to over 500 feet and the 18” casing installed. Once the well is drilled and the water tested, the well will be capped until funding is available for the electrical work, pump and motor installation.

Permitting is still being worked on with our engineer and Arizona Department of Environmental Quality (ADEQ) and Utah Division of Drinking Water (DDW) for the Academy Well and Well #17. Due to a lack of permitting when the original system was installed, we are providing water treatment and blending data to ADEQ and Utah DDW along with receiving the proper permits. In addition, the Water Treatment Plant was not permitted and is now being permitted through ADEQ and DDW. This permitting work is being done through ADEQ and a Grant from the Technical Assistance program for about \$150,000.00.

Discussions continue with Centennial Park about the expansion of their Wastewater System and the impact it will have on our current Lift Station, Force Main and lagoon system. To do a comprehensive study, we will need to update the 2017 Sewer Master Plan, Facilities Plan and Impact Fees. The Sewer Master Plan update will include Colorado City, Centennial Park, Hildale and the Hildale Annexation Area. We have a Scope and Fee to do the work from the engineering firm selected for this project. Staff is working with the engineer and the Utah DEQ/DDW on securing a grant for the Utah portion of the Master Plan update, and we are reaching out to Arizona to find funding opportunities for the Arizona portion of the Master Plan. We are negotiating an Interagency Agreement (IGA) with Centennial Park for payment of the study.

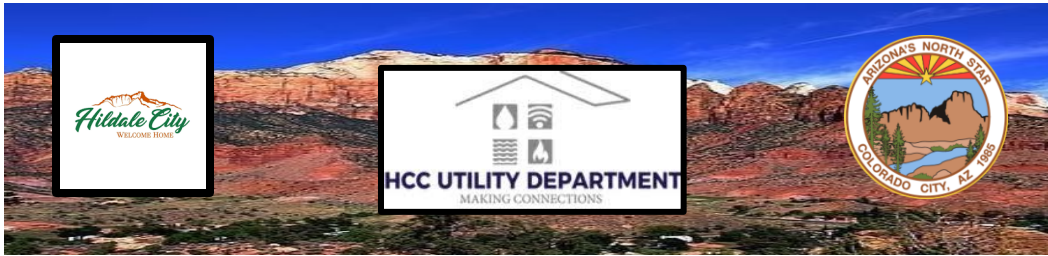


WIFA has introduced a new Water Program with a \$2.0 million Grant and up to \$3.0 million Loan. We have a list of projects from the Water Master Plan and from internal reviews which are not Impact Fee eligible to submit for the \$2.0 million grant. We can apply for multiple projects under the new grant program.

The last sewer rate increase was in 2017 as part of the Sewer Master Plan and needs to be updated. The newly revised Water Rate Increase was completed by the Rural Corporation Assistance Company (RCAC) through a Grant from the USDA-RD for over \$75,000.00. There was no cost for the study by the community. We are requesting their assistance for the sewer rates, under another grant through USDA-RD.

Under the new Environmental Protection Agency (EPA) revised Lead and Copper Rules, the water system had to conduct and create an inventory of the water service lines to each building we serve as Phase I. Phase II will require us to have the results of the service line study be available to the Public. This access allows people to see the type of materials used for the service lines when buying houses, for Public Institutions to show the students and community are safe from Lead poisoning and to help physicians to see if any disease they are treating is caused by service line materials. Phase III will be determined based on the results of the inventory. It is the agency's intent to have all lead removed from water systems by 2030. We have received a Grant for Phase II & Phase III to cover all the work required. The amount of the grant would be at least \$150,000.00.

PFAS treatment funding from the EPA are available for doing pilot cleaning of the wells which tested positive for PFAS this year. We will work with EPA and DDW to implement the treatment. All costs will be covered by an EPA Grant of at least \$1.0 million.



On August 28, 2024, the Utah Drinking Water Board authorized a construction grant of \$237,500.00 and a loan of \$551,000.00 at 1.73% interest for 30 years to Hildale City for the design and construction of a Pressure Booster Station. The Booster Station design is currently under review by the Utah DDW for approval and to get the permit to begin construction. We anticipate the permit being issued in November and going out to bid in December or January.

The City is working with a Bonding Attorney to work with the state to receive funds for the Project and provide clear evidence, through mapping systems and zoning, the water system mains are in existing roads and easements owned/controlled by the city.

Staff are reviewing the data on water delivery to current customers and new growth.