DEQ BOISE REGIONAL



STATE OF IDAHO DEPARTMENT OF ENVIRONMENTAL QUALITY

	Date / 1/ 21/05 pages 4
Post-Ite Fax Note 7671	From Monty Mandia
To Scott Woodburg.	CO. DEO
Phone #	Phone # 373-0560
Fax# 334 37/2	Fax #

1445 N. Orchard • Boise, Idaho 83706 • (208) 373-0550

November 21, 2005

EAG-W-05-03 UWI-W-05-03

Mr. Robert DeShazo Eagle Water Company P.O. Box 455 Eagle, ID 83616

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RE: Revision to DEQ's September 7, 2005 letter regarding system capacity

Dear Mr. DeShazo:

Department of Environmental Quality (DEQ) staff has reviewed your November 18, 2005 letter regarding service to Covenant Hills Subdivision. We are revising the conditions in our letter to you dated November 9, 2005 as follows:

DEQ will accept a Will Serve Letter for this project under the following conditions:

- 1. We accept the schedule and conditions in Eagle Water Company's November 18, 2005 letter.
- 2. The schedule must also be acceptable to the Idaho Public Utilities Commission.
- 3. DEQ must conduct its standard review and approval of the subject project.
- 4. DEQ cannot accept additional Will Serve Letters until the issues mentioned in the September 7, 2005 are resolved.

Please call Monty Marchus with any questions at 373-0560 or via e-mail at monty.marchus@dcg.idaho.gov. You may also contact me at 373-0550.

Sincerely,

mulk.mg

Michael R. McGown Administrator Boise Regional Office

MGM:ve: H:\Eagle Water Company\Production capacity 9-7-05 - update2.doc

Enclosure: November 18, 2005 letter from Eagle Water Company

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Mr. Robert DeShazo Eagle Water Company November 21, 2005 Page 2

cc: Mayor Nancy Merrill, City of Eagle
Charles W. Ariss, P.E., DEQ Regional Engineering Manager
Tiffany Floyd, DEQ Drinking Water Manager
Lance Nielsen, DEQ State Drinking Water Program Manger
Monty G. Marchus, P.E., DEQ Staff Engineer
Randy Lobb, PUC (w/encl)
Jim Rees, P.E., MTC Engineering (w/encl)
Reading File, Source File #1-cng

11/21/2005 13:52 FAX 2083730287 11/18/2005 15:47 9390267 DEQ BOISE REGIONAL EAGLE WATER CO INC 2/2 003/004 PAGE 2/2



(208) 939-0242 FAX (208) 939-0267 P.O. BOX 455 EAGLE, IDAHO 83616

November 18, 2005

Dear Monty:

As we have discussed, Eagle Water Company, Inc. ("Eagle Water") is currently able to deliver sufficient water supply and pressure to meet fire flow requirements for the proposed Covenant Hills Subdivision ("Covenant Hills"); however, Eagle Water desires to route a 12-inch mainline from its Well No. 6 through Covenant Hills to the that well into this portion of its system, thereby improving pressure elsewhere in its system.

Although Hillview Development maintains that Eagle Water can route its 12-inch mainline loop through the adjacent Downing Downs subdivision, that is not a viable, cost-effective alternative. Unlike the essentially unimproved ground that Eagle Water has identified for routing its mainline loop, the Downing Downs subdivision is fully developed with streets, existing structures, and mature landscaping. It would be cost-prohibitive for Eagle Water to utilize this route and that excessive cost would ultimately have to be passed on to consumers.

Consequently Eagle Water requests that the Idaho Department of Environmental Quality ("DEQ") provide Eagle Water with a letter allowing it to proceed to service the subdivision known as Covenant Hills Subdivision ("Covenant Hills"). Your letter would allow the developer to begin construction of the subdivision immediately.

Eagle Water understands that DEQ's letter authorizing it to provide service to Covenant Hills would be conditioned on the following:

1. That Eagle Water continue working with the two landowners (Greg Holmes and Jim Choat) south of Covenant Hills and the Hereford Subdivision Homeowners Association to obtain a permanent easement to connect Eagle Water's existing 12-inch water main stub on the Holmes property to the new Covenant Hills mainline on or before February 16, 2006.

2. That MTC Engineering, Inc. provide DEQ working drawings, plans and specifications for the extension of the 12-inch mainline to Covenant Hills by January 10th, 2006.

3. That Eagle Water construct and connect the 12-inch mainline from its Well No. 6 to Covenant Hills on or before April 1, 2006.

4. That, if the above conditions are not met and Eagle Water cannot provide adequate fire flow to Covenant Hills, Eagle Water will relinquish its right to serve the subdivision.

Thank you,

Robert DeShazo, Jr. President