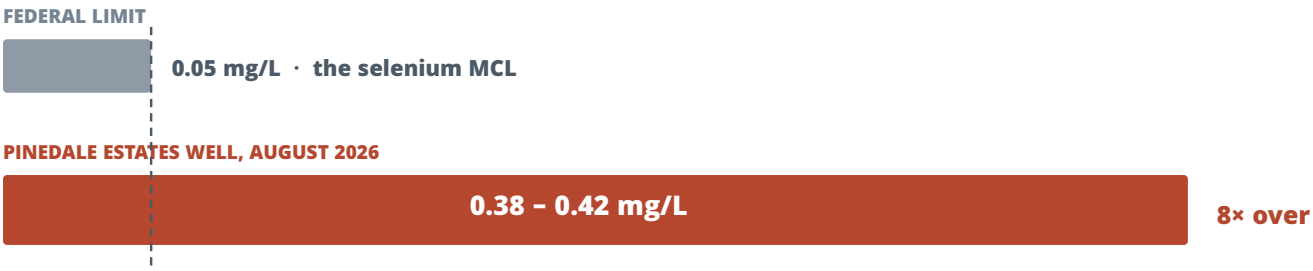
PINEDALE ESTATES DOMESTIC WATER IMPROVEMENT DISTRICT · PWS AZ0409040

Eight times the limit. Since 1997.

About **90 connections**. Roughly **200 people**, many of them retirees, many of the houses empty half the year. One well, and that well has more selenium in it than the law allows. Not because anyone spilled anything. It is simply what is in the rock underneath them.



Naturally occurring. Nobody put it there. It is what is in the rock.

Why this took five years

The obvious question is why a district does not simply drill a new well. Here is the actual sequence a system this size has to complete.

- Test whether there is better water underneath you at all.
- Find out the first site has **four contaminants** over the limit and that treating them is not realistic at this scale.
- Go back to the state and ask to change the funded scope. Get a yes.
- Negotiate with private landowners for a well parcel, a tank parcel uphill for gravity, and rights to an existing well held by **three separate shareholders**.
- Design a main back to town. Secure a second loan, because the real project is twice the first.
- Permit all of it.

WHAT IT WOULD COST TO TREAT INSTEAD

Selenium treatment does not end at the equipment. It produces a waste stream that has to be hauled away and disposed of, every year, forever.

For a system this size that is on the order of **a million dollars a year**, against roughly 90 connections. That is not a cheaper alternative to finding new water. It is a permanent bill nobody here could pay.

Operator estimate, not a published engineering figure.

$19,238

PER HOUSEHOLD

That is the whole project divided by the number of connections. It is what this fix would have cost each household if Pinedale Estates had been required to pay for compliance out of its own rate base. Nobody here has that. Nobody here could borrow it either.

That gap is the entire reason forgivable principal exists. Not generosity. Arithmetic.

8×
Over the federal selenium limit, measured August 2026

~90
Service connections carrying the entire cost of the fix

$1,731,384
Total SRF assistance across two loans, nearly all of it forgivable

1997
First year the well is documented over the limit

Sources: WIFA Loan Resolutions and executed loan documents 920324-21 / DW 037-2021 and 920390-25 / DW 035-2025; 2022 scope change letter; 2024 project information letter, addenda and combined cost estimate; WIFA construction reports, April and July 2026; WCGF award WC7-364-2025. Current selenium concentration is district operating data, August 2026. Federal selenium MCL is 0.05 mg/L (40 CFR 141.62). Construction is under way; final permitting and regulatory closeout are not complete.

A THIRTY-YEAR PROBLEM AND A FIVE-YEAR FIX

How Pinedale Estates got here, and how it gets out

1977 The well is drilled. The distribution system goes in behind a trencher: shallow, glued, some of it cement asbestos.

1993 The well is **deepened specifically to try to reduce selenium**. It does not work.

1997 **First documented exceedance.** The well has been over the limit every time it has been tested since.

~2019 Residents condemn the private utility and form their own district. At the top of the system there had been **no pressure from 8 a.m. to 8 p.m.** Doing the paperwork properly, they discover the system had been classified as **non-transient non-community**, the category used for a campground, so chronic contaminants were never tested for.

2020 The district has **$10,000 in the bank** and has been through five operators. Mogollon takes it on **pro bono** for the first six months.

2021 First SRF loan. **$750,000**, including $550,000 forgivable. Scope: a pilot well, to find out whether better water exists before anyone spends real money.

2022 The first site comes back with selenium, cadmium, uranium and gross alpha over the limit. Treating all four is cost prohibitive. **A scope change letter asks the state for permission to change the plan. The state says yes.**

2024 Second SRF loan closes. **$981,384, one hundred percent forgivable**, for the buildable version: new well facilities, mainline, storage, and rehabilitation of the acquired well.

2026 Pumps and controls installed. Mainline complete to the street. Tank foundation done and the tank going up. **Final permitting still ahead.**

The Pinedale Estates system map as it was kept. A county plat, a clipboard, and a marker. This is not unusual. It is the median.

WHAT EACH LOAN FUNDED

2021, loan 920324-21. A pilot well, to establish whether usable groundwater existed before committing to a production well.

2024, loan 920390-25. The buildable system: new well facilities, the mainline back to the distribution system, storage, and rehabilitation of the acquired well.

2025, grant WC7-364-2025. Ninety-two reporting meters across the district.

Nearly all of the loan assistance is forgivable principal.

THE METERS ARE NOT A FOOTNOTE

A $40,000 conservation grant put **92 reporting meters** on this system. Half these houses sit empty half the year. A toilet can run under a vacation home from October to April with nobody there to hear it.

> "I keep a bottle of their water on my desk. Everybody who sees it assumes it is moonshine. It is their water."

What is honest to say today: this is not finished. The pumps are in, the main is in, the tank is going up, and final permitting is still ahead. What can be said is that a community of two hundred people, with no commercial base and no staff, is within sight of drinking water that meets the standard for the first time since anyone started checking. That happened because the funding was patient enough to survive the project changing shape twice.

Sources: WIFA Loan Resolutions and executed loan documents 920324-21 / DW 037-2021 and 920390-25 / DW 035-2025; 2022 scope change letter; 2024 project information letter, addenda and combined cost estimate; WIFA construction reports, April and July 2026; WCGF award WC7-364-2025. Current selenium concentration is district operating data, August 2026. Federal selenium MCL is 0.05 mg/L (40 CFR 141.62). Construction is under way; final permitting and regulatory closeout are not complete.