

December 19, 2013

Dean Wingert
Crown West Land Group
333 E. Wetmore Road, Suite 250
Tucson, AZ 85705

**Re: Intent to Serve – Pomegranate Farms
(South of Valencia Road and West of Sonoran Ranch Estates)**

Dear Mr. Wingert,

This letter serves to formally state the intent of the Metropolitan Domestic Water Improvement District (MDWID) to serve the above referenced future development upon a mutually acceptable water service agreement with the MDWID, execution of an assured water supply agreement with MDWID, and payment of the Arizona Department of Water Resources and Central Arizona Groundwater Replenishment fees to modify MDWID's designation of assured water supply and member service area membership for inclusion of Pomegranate Farms.

Please contact me if you have any questions at (520) 575-8100.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark R. Stratton". The signature is fluid and cursive, written over the printed name and title.

Mark R. Stratton, P.E.
General Manager

MRS/mwb

C: Charlie Maish, District Engineer
Timothy Dinkel, Development Supervisor
Michael Block, Water Resources Manager
Robert Iannarino, Psomas

ERROL L. MONTGOMERY & ASSOCIATES, INC.

WATER RESOURCE CONSULTANTS



1550 East Prince Road
Tucson, Arizona 85719
(520) 881-4912
(520) 881-1609 Fax
www.elmontgomery.com

**These pages need to be
added back into the revised
document if approved**

Errol L. Montgomery, P.G.
William R. Victor, P.G.
Ronald H. DeWitt, P.G.
Mark M. Cross, P.G.
Dennis G. Hall, P.G.
Todd Keay, P.G.
James S. Davis, P.G.
Michael J. Rosko, P.G.
Daniel S. Weber, P.G.
Leslie T. Katz, P.G.
Dennis H. Shirley, P.G.
Jeffrey J. Meyer
Janis K. Blalner-Fleming
Hale W. Barter
Gregory L. Wallace

April 24, 2008

Mr. Kevin Tomkiel
Ms. Anne Warner
POMEGRANATE DEVELOPMENT L.L.C.
1820 E. River Road, Suite 110
Tucson, AZ 85718

**SUBJECT: WATER SUPPLY EVALUATION, POMEGRANATE FARMS
DEVELOPMENT, PIMA COUNTY, ARIZONA**

Dear Mr. Tomkiel and Ms. Warner:

In accordance with a request from Anne Warner, we have prepared this water supply evaluation for Pomegranate Farms Development. Montgomery & Associates has investigated the availability of groundwater to meet the water supply requirements of the proposed development. The original evaluation of the physical availability of an assured water supply was submitted to the Arizona Department of Water Resources (ADWR) on May 8, 2006. Following preparation of a the Master Plan for the development, water requirements were and groundwater availability were reevaluated, and an Application for an Analysis of Assured Water Supply for the development were submitted to ADWR on February 27, 2008. In a letter dated March 28, 2008, ADWR issued a letter granting approval of the Analysis of Assured Water Supply and concluding that the proposed water supply is sufficient to meet the needs of the development. A copy of this letter is attached.

WATER DEMANDS

The proposed Pomegranate Farms comprises all of Section 18, Township 15 South, Range 12 East. Water supply will be provided by Diablo Village Water Company. Based on the preliminary Master Plan, annual water requirements for the development have been calculated to be 1,406.01 acre-feet per year, or 871 gallons per minute (gpm). Estimated peak demand is approximately 1,570 gpm.

Current and previously committed water demands for Diablo Village Water Company were calculated to be 1,016.78 acre-feet per year. Therefore, total water requirements of Diablo Village Water Company, including Pomegranate Farms, are calculated to be 2,422.79 acre-feet per year, or an average pumping rate of 1,502 gpm. Estimated peak water demand is estimated to be about 2,700 gpm.



EXISTING PRODUCTION WELLS

Diablo Village Water Company existing production wells are located approximately ¼ mile northeast and 1¼ miles east of Pomegranate Farms. Current production rates from these wells in excess of 1,000 gpm each, respectively, for a total production capacity of at least 2,000 gpm. One additional 1,000 gpm production well would be more than sufficient to meet the anticipated 2,700 gpm peak water demand water requirement for the water company, including those of Pomegranate Farms development. Additionally, one additional back-up production well will probably be needed.

HYDROGEOLOGY AND GROUNDWATER SUPPLY

Pomegranate Farms and the other portions of Diablo Village Water Company are underlain by a thick sequence of alluvial sediments deposited in the large Avra Valley structural basin. These sediments comprise the groundwater aquifer from which the water supply for Pomegranate Farms will be obtained. Depth to groundwater level in this area ranges from about 420 to 470 feet. Thickness of the aquifer underlying the Diablo Village service area ranges from about 300 feet to more than 1,500 feet, with the maximum thickness occurring under Pomegranate Farms. Production rates of existing large-capacity wells in the area range from several hundred to over 1,000 gpm. Aquifer transmissivity in the Diablo Village service area ranges from 30,000 to 110,000 gallons per day per foot of aquifer.

PROJECTED FUTURE GROUNDWATER LEVEL IMPACTS

The groundwater model developed for evaluation of groundwater availability for Pomegranate Farms indicates that maximum 100-year drawdown of water levels in the Diablo Village service area will be about 36 feet. Combined with an existing water level decline rate of 2.6 feet per year, projection of groundwater level after 100 years of pumping will be less than 800 feet which is substantially less than the ADWR assured water supply criteria of 1,000 feet.

This projection does not account for on-going and future recharge of Central Arizona Project (CAP) water in Avra Valley, and does not account for the effects of future water conservation measures that are likely to occur. Such recharge and water conservation will tend to reduce the potential impact of groundwater pumping to serve Pomegranate Farms.

GROUNDWATER QUALITY

Available laboratory analyses of groundwater samples obtained in the Pomegranate Farms area indicate that the groundwater supply meets all public water supply standards of the Arizona Department of Environmental Quality (ADEQ) and U.S. Environmental Protection Agency. Diablo Village Water Company is presently in full compliance with ADEQ drinking water regulations.



CONCLUSION

Sufficient groundwater of suitable quality exists and will be available to the proposed Pomegranate Farms to provide a 100-year water supply in accordance with ADWR assured water supply laws, regulations, and policies.

If you have questions or need any additional information or clarification, please contact me.

Sincerely,

ERROL L. MONTGOMERY & ASSOCIATES, INC.

James S. Davis

Attachment

SENT VIA U.S. MAIL AND E-MAIL

ARIZONA DEPARTMENT OF WATER RESOURCES
Office of Assured and Adequate Water Supply
2nd Floor, 3550 N. Central Ave., Phoenix, AZ 85012
Telephone (602) 771-8585
Fax (602) 771-8689



JANET NAPOLITANO
Governor

HERB GUENTHER
Director

ANALYSIS OF ASSURED WATER SUPPLY

March 28, 2008

File Number: 28-700315.0000
Development: Pomegranate Farms
Location: Township 15 South, Range 12 East, Section 18
Pima County, Arizona
Tucson AMA
Land Owner: Pomegranate Farms I, L.L.C., an Arizona limited liability company

The Arizona Department of Water Resources has evaluated the Analysis of Assured Water Supply application for Pomegranate Farms pursuant to A.A.C. R12-15-703. The proposed development includes 2,799 single-family residential lots, 1,109 multi-family units and 245.96 non-residential acres containing: 29.83 acres of neighborhood parks, 73.01 acres of common area, 81.76 acres of natural open space, 56.13 acres of commercial area and a 5.23-acre elementary school site for approximately 250 students. Conclusions of the review are indicated below based on the assured water supply criteria referenced in A.R.S. § 45-576 and A.A.C. R12-15-701 *et seq.*

- **Physical, Continuous, and Legal Availability of Water for 100 Years**
On the basis of the Pomegranate Farms Physical Availability Determination (DWR# 51-402151.0000), hydrologic information submitted by the applicant, and the Department's review, the Department has determined that sufficient groundwater will be physically and continuously available to meet the annual estimated water demand for the development of 1,410.03 acre-feet per year. The development is within 660 ft. of Diablo Village Water Company's existing service area, and within the boundaries of Diablo Village Water Company's Certificate of Convenience & Necessity. Individual Notices of Intent to Serve will be required for each application for a Certificate of Assured Water Supply.
- **Adequate Water Quality**
This requirement will be evaluated according to the criteria in A.A.C. R12-15-719 at the time an application for a Certificate of Assured Water Supply is filed. Prior to preparing an application for a Certificate of Assured Water Supply for an individual subdivision plat, the Office of Assured Water Supply may be contacted for further guidance.
- **Consistency with Management Plan for the Tucson Active Management Area**
The estimated annual water demand for the development is consistent with the Third Management Plan for the Tucson AMA. All plumbing fixtures will comply with the statewide Low Flow Plumbing Code.

- **Consistency with Management Goal of the Tucson Active Management Area**
The Assured and Adequate Water Supply Rules (A.A.C. R12-15-722 through R12-15-727) allocate an allowance of groundwater to each new subdivision in an AMA to allow for the phasing in of renewable supplies. Extinguishing grandfathered groundwater rights may increase this groundwater allowance. Applicants may also demonstrate that groundwater use is consistent with the management goal by enrolling the subdivision as member land in the Central Arizona Groundwater Replenishment District (CAGR).

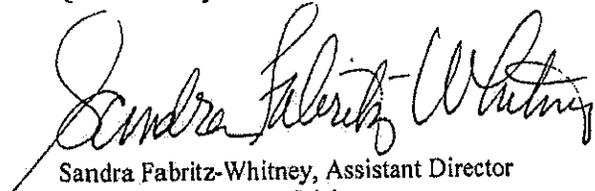
Prior to preparing an application for a Certificate of Assured Water Supply for an individual subdivision plat, the Office of Assured Water Supply may be contacted for further guidance.

- **Financial Capability of the Owner to Construct the Necessary Distribution System**
This requirement will be evaluated according to the criteria in A.A.C. R12-15-720 at the time an application for a Certificate of Assured Water Supply is filed. Prior to preparing an application for a Certificate of Assured Water Supply for an individual subdivision plat, the Office of Assured Water Supply may be contacted for further guidance.

The term of this Analysis of Assured Water Supply is ten years from the date of this letter and may be renewed upon request, subject to approval by the Department. See A.A.C. R12-15-703. Throughout the term of this determination, the projected demand of this development will be considered when reviewing other requests for assured water supply in the area.

Prior to obtaining plat approval by the local platting authority and approval of the public report by the Department of Real Estate, a Certificate of Assured Water Supply must be obtained for each subdivision plat. The findings of this Analysis of Assured Water Supply may be used to demonstrate that certain requirements for a Certificate have been met. This determination may be invalidated if the development plan or other conditions change prior to filing for a Certificate of Assured Water Supply. Changes in the number or locations of wells may impact applicability of this determination to future applications for determinations of assured water supply.

Questions may be directed to the Office of Assured Water Supply at (602) 771-8585.



Sandra Fabritz-Whitney, Assistant Director
Water Management Division

cc: Kenneth Seasholes, Tucson Active Management Area

ARIZONA DEPARTMENT OF WATER RESOURCES
Office of Assured and Adequate Water Supply
3550 N. Central Ave, 2nd Floor, Phoenix, AZ 85012
Telephone 602 771-8585
Fax 602 771-8689



Janet Napolitano
Governor

Herbert R. Guenther
Director

March 26, 2008

Anne Warner
Pomegranate Development, LLC
1820 E. River Rd.
Suite 110
Tucson, AZ 85718

**RE: Pomegranate Development, Pima County, Arizona, Tucson AMA
Application for a Physical Availability Determination
(ADWR #20-402151.0000)**

Dear Ms. Warner:

On June 30, 2006, the Department completed its review of Application No. 20-402151.0000 for a Physical Availability Determination (PAD) for Pomegranate Development (application). However, it appears that the Department did not issue a letter describing its determination on the application. This letter will serve as the Department's determination.

The Department received the application on May 15, 2006. The study area consisted of Township 15 South, Range 12 East, Section 18, GSR B&M in Pima County in southeastern Arizona.

In accordance with A.A.C. R12-15-702(C),* the Department determined on June 30, 2006 that a minimum of 682.91 acre-feet per year of groundwater was physically available for 100 years under A.A.C. R12-15-716(B) for assured water supply purposes in the study area. Since the PAD determination, 382.69 ac-ft/yr of additional demands for Tucson Mountain Ranch & Valencia (Analysis No. 28-5000065.0000) have been approved in the area, in turn reducing the available groundwater supply. As such, only 300.22 ac-ft remains physically available.

With regard to water quality pursuant to A.A.C. R12-15-719(A), the provider you select must be in compliance with the Arizona Department of Environmental Quality drinking water compliance unit. With regard to water quality for the purpose of A.A.C. R12-15-719(B) the study area is not located within one mile of any known WQARF or Superfund site.

As with all PAD determinations issued by the Department, if the Department finds that the water supply is not available because the assumptions and information used in determining the physical availability under the current criteria prove incorrect, the Department will modify the availability of groundwater accordingly. The results of the Department's review fulfill the requirements of R12-15-703(B) and may be cited in applications for determinations of assured water supply. These applications have certain additional requirements based on the assured water supply criteria referenced in A.R.S. § 45-108 and A.A.C. R12-15-701, et seq. For further information on these requirements, please contact the Office of Assured and Adequate Water Supply at (602) 771-8585.

The Department's determination is an appealable agency action. In order to appeal this decision, you must request an appeal within thirty (30) days from receipt of this letter. I have enclosed a summary of the appeals process and an appeal form should you wish to pursue this option.

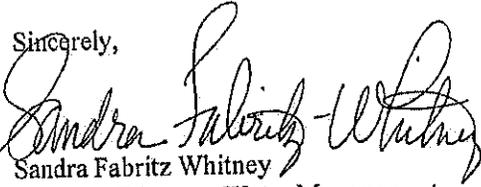
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* This letter references the current rules for Assured and Adequate Water Supply. Although the rules have been amended since the application was submitted, the changes do not affect the review of the application or the Department's determination.

March 26, 2008

If you have any questions regarding this Physical Availability Demonstration, please contact Rick Obenshain at (602) 771-8585.

Sincerely,



Sandra Fabritz Whitney
Assistant Director, Water Management

cc: Jim Davis
Errol L. Montgomery & Assoc.
1550 E. Prince Rd.
Tucson, AZ 85719

Steve Olea
Arizona Corporation Commission

Joan Card, Assistant Director
Arizona Department of Environmental Quality