

Tusayan Sanitary District

640 Reclaim Ln • Tusayan/Grand Canyon, AZ 86023 • 928-638-0906

November 6, 2020

Heather Provencio, Forest Supervisor
Kaibab National Forest
800 South 6th Street
Williams, AZ 86046

Re: Easement Application to the U.S. Forest Service

Dear Ms. Provencio:

Recently, the Tusayan Sanitary District (“District”) learned of the correspondence between the Town of Tusayan (“Town”) and Stilo Development Group USA LP (“Stilo”) regarding their 2020 roadway and utility easement application to the United States Forest Service (“USFS”).

In the letter dated June 29, 2020, the Town and Stilo stated that the District’s treatment capacity information is not readily available to either the Town or Stilo. To be clear, this information is a public record and the District has repeatedly reached out to the Town and Stilo requesting to be included in the utility planning process. It has been more than 6 years since Stilo or other party has engaged substantively with the District. *See Attachment 1* (letters dated 9/17/2014 and 7/4/2015 from the District to the Town and USFS).¹

The District has been in contact with the Town about providing wastewater service to the Town-owned residential communities. *See Attachment 2*. Although the Town neglected to inform the District about the proposed application, the District has assured the Town it is willing to cooperate with the system survey and planning process to ensure the District facilities can meet the wastewater demand and provide non-potable effluent for reuse. The Town has not engaged the District in that process yet.

Based on the limited information gathered from other sources, the District believes the plant is capable of treating the Town’s residential communities without expanding the plant. The District’s existing plant capacity is 600,000 gallons per day (“gpd”). Current demand is 200,000 gpd and has committed demand of 70,000 gpd, leaving 330,000 gpd

¹ The District changed its named from the South Grand Canyon Sanitary District to the Tusayan Sanitary District 6 years ago, which illustrates the lack of engagement.

March 21, 2021

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of available capacity. To be clear, this is average flows, not peak demand, which is substantially higher. The developers plan to generate an additional 570,000 gpd (approximate) of wastewater generated by the commercial structures² alone will require a significant plant expansion. According to Arizona Department of Environment Quality (“ADEQ”) rules, the plant expansion planning should have begun already, but this cannot occur without cooperation from Stilo and the Town.

As you know, the District provides sanitary sewer service to the residents and businesses in the Tusayan area. The District also provides reclaimed water service to meet non-potable water demands as well. In addition, the District is the Designated Management Agency (“DMA”) for the Tusayan area. As the DMA, the District is responsible for implementing the water quality plan for the area. This legal planning authority is intended to protect local water quality from degradation by wastewater releases, thereby safeguarding the long-term water supplies of the entire community. Accordingly, the District actively works to make certain that all proposed wastewater treatment facilities - including proposed on-site septic systems, community disposal systems, or small treatment facilities - are properly planned. *See Attachment 3.*

Due to the developer’s failure to communicate and plan to address the adverse environmental impacts, the District does not support USFS making a decision on the application. As explained previously, neither Stilo nor the Town have engaged the District during the past 6 years and the District Board of Directors has not received a request for a system survey to be completed to determine what is needed to provide service. Thus, any delay of this project is the fault of the developers.

The District appreciates the USFS attention to this matter and we fully support your continuing efforts in support of protecting the local water quality and helping assure the aquifer remains sustainable and unpolluted for generations to come.

Thank you,

Pete Shearer
Chairman, Tusayan Sanitary District

² The District classifies buildings built for the purpose of being short-term rentals are classified as commercial.

Tusayan Sanitary District

640 Reclaim Lane, Tusayan, Arizona *** 928-638-0906

February 10, 2021

Heather Provencio, Forest Supervisor
Kaibab National Forest
800 South 6th Street
Williams, Arizona 86046

Re: Easement Application to the US Forest Service

Dear Ms. Provencio,

TSD {Tusayan Sanitary District} Plant Manager, Robert Petzoldt, and TSD Board Chairman, Pete Shearer met this week with the Tusayan Town Manager and Tusayan Mayor to discuss the necessary steps in moving forward with the recent Town/Stilo road and utility easement application to the USFS regarding a plan to address the Waste Water Treatment Options.

As noted in the meeting there are several issues that need to be resolved before TSD is able to proceed with the joint application request.

First is that the application must be amended to remove the access routes, identified as RP Drive and Long Jim Loop "605C", from the application. Neither of these roadways have the necessary easement width to accommodate the roadway requirements, as described in their application. And, as stated in our previous letter to the USFS, access through these two routes would jeopardize the health and safety of our valued residential community. TSD has a substantial financial investment in both these roadways in improving access to our plant and in preserving a safe environment for our residents. Hundreds of cars per hour, heavy truck traffic, construction traffic; all make these two routes unsuited for the proposed volume of traffic.

The second issue that needs to be addressed is the statement in the joint application that Commercial Densities will be reduced by 33%. It seems to TSD that any such change to zoning must be presented to and approved by the Tusayan Planning and Zoning Commission and ultimately it must be approved by a majority of the Tusayan Town Council Members. This is an important issue in our consideration of the request to work cooperatively on a Waste Water Treatment solution. Without knowing if the Densities are to be as stated in the application or if they are to be 33% less makes any system survey impossible at this time. The Town and Stilo need to go to P&Z to resolve this and to record the outcome in the Development Agreement.

Also, as noted in the meeting with the Mayor and Town Manager, Stilo property daily WW flows will likely be 100 times greater than the Town's housing development flows. Therefore, it makes the most sense for the Developer to initiate these conversations. Little can be accomplished discussing the Town's small WW flows. TSD needs firm total flow information based on accurate data.

Therefore, once the PADA has been amended and recorded to accurately reflect the 33% reduction in Commercial Densities, as described in the application, and as soon as the application is amended to remove the access routes through RP Drive and Long Jim Loop "605C", TSD {as the Designated Management Agency}, will initiate a system survey [cost to be paid entirely by the applicants] to determine the best course of action for proper area wide Wastewater Treatment to ensure protection of the regional aquifer, the environment, and USFS lands.

TSD looks forward to working cooperatively with the applicants and with the USFS to find the best solution.

Robert Petzoldt, TSD Plant Manager

Pete Shearer, TSD Chairman of the Board

December 9th, 2020

Heather Provencio
Forest Supervisor

Cc; Mr. Andrew Kelher
Deputy Ranger
U. S. Forest Service Tusayan Ranger District
P. O. Box 3088
Grand Canyon, AZ 86023

Dear Ms. Provencio:

The TSD {Tusayan Sanitary District} Board members discussed on December 9, 2020, the possibility of the U.S. Forest Service granting access via **Long Jim Loop and RP Drive** for further development and construction of both commercial and residential property, as shown in the Town/Stilo most recent application. During the December 9th, 2020, Regular Board Meeting, the Board authorized the release of this letter to the Town of Tusayan and the U.S. Forest Service stating that: 1. The District does not authorize the above mentioned access route thru RP Drive which is owned by the Sanitary District. 2. Request that the Town of Tusayan not be permitted to access its property or the Stilo property (Kotzin) as shown in the Forest Service Application. 3. Requests that the Application be amended to remove the access through the Long Jim Loop Route {605C}, and RP Drive.

The District has a 30 year 50' wide easement from the USFS through 605C. The Town/Stilo application specifies that an 80' easement is needed. The current 50' wide easement crosses the GC National Park Airport, on airport property. ADOT Aeronautics granted the easement to the USFS in 1998. The USFS subsequently granted a 30-year easement to the South Grand Canyon Sanitary District, {now TSD} in 2000, in order to alleviate excessive traffic to the Wastewater Treatment plant through the only access route at the time {RP Drive}. If the proposed route is pursued, the Developer and the Town will need to negotiate a wider easement with ADOT Aeronautics.

The route shown through RP Drive is a private roadway. The width of this road ownership is 33', far short of the 80' road width shown in the application. Most of the Tusayan residential community housing is located along RP Drive and 605C and any increase in traffic through these areas will be detrimental to the quiet and safe rural environment now enjoyed by our Tusayan workforce and children. Hundreds of cars each hour, up to 100 semi-water trucks per day, and unknown numbers of construction workers and supply vehicles would make this the least desirable route. Other routes are available which will not cause this massive level of destruction of our valued quiet and safe residential community.

Please have the Town and the Developer remove the proposed access routes via 605C and RP Drive from the application. Inclusion of these routes will cause permanent and irreparable damage to the vision of our small community.

Thank you for consideration.

Sincerely,

Robert Petzoldt
District Manager
Tusayan Sanitary District