Annual Drinking Water Quality Report Year 2016

We're very pleased to provide you with this year's Annual Quality Water Report. We want to keep you informed about the excellent water and services we have delivered to you over the past year. Our goal is and always has been, to provide to you a safe and dependable supply of drinking water. Our Utilities consists of two systems: the north system has two wells on Dinky Creek and over 105,000 gallons of storage between Dinky Creek And Maple. The south system draws water from two wells in Big Valley. All of the wells pull water from the Verde foundation and the alluvium of West Clear Creek.

I'm pleased to report that our drinking water is safe and meets federal and state requirements.

If you have any questions please contact our office staff in the Verde Lakes Club House, 2867 Verde Lakes Drive, Camp Verde, Az. 86322. Our phone number is 928-567-4338, or attend any of our regularly scheduled board meetings held on every third Tuesday of each month.

The Verde Lakes Water Corp. routinely monitors for constituents in your drinking water according to Federal and State laws. This table shows the results of our monitoring for the period of January 1st to December 31st, 2016. As water travels over the land or underground, it can pick up substances or contaminants such as microbes, inorganic and organic chemicals, and radioactive substances. All drinking water, including bottled drinking water, may be reasonably expected to contain at least small amounts of some constituents. It's important to remember that the presence of these constituents does not necessarily pose a health risk.

In this table you will find many terms and abbreviations you might not be familiar with. To help you better understand these terms we've provided the following definitions:

Parts per million (ppm) or Milligrams per liter (mg/l) - one part per million corresponds to one minute in two years or a single penny in \$10,000.

Parts per billion (ppb) or Micrograms per liter - one part per billion corresponds to one minute in 2,000 years, or a single penny in \$10,000,000.

Treatment Technique (TT) - A treatment technique is a required process intended to reduce the level of a contaminant in drinking water.

Maximum Contaminant Level (MCL) - The "Maximum Allowed" (MCL) is the highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.

Maximum Contaminant Level Goal (MCLG) - The "Goal" (MCLG) is the level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

Maximum Residual Disinfectant Level (MRDL) – The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.

Maximum Residual Disinfectant Level Goal (MRDLG) – The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.

While your drinking water meets EPA's standard for arsenic, it does contain low levels of arsenic. EPA's standard balances the current understanding of arsenic's possible health effects against the cost of removing arsenic from drinking water. EPA continues to research the health effects of low levels of arsenic, which is a mineral known to cause cancer in humans at high concentrations and is linked to other health effects such as skin damage and circulatory problems.

Some people who drink water, containing arsenic in excess of the MCL over many years could experience skin damage or problems with their circulatory system, and may have an increased risk of getting cancer.

All sources of drinking water are subject to potential contamination by substances that are naturally occurring or man made. These substances can be microbes, inorganic or organic chemicals and radioactive substances. All drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that the water poses a health risk. More information about

contaminants and potential health effects can be obtained by calling the Environmental Protection Agency's Safe Drinking Water Hotline at 1-800-426-4791.

MCL's are set at very stringent levels. To understand the possible health effects described for many regulated constituents, a person would have to drink 2 liters of water every day at the MCL level for a lifetime to have a one-in-a-million chance of having the described health effect.

DC = Dinky Creek SW = Stillwater BV = Big Valley nt = not tested

| TEST RESULTS | | | | | | |
|---------------------------------------|----------|------------------|-----------|---------|------------------------|---|
| Year 2016 | | | | | | |
| Contaminant & year tested | Violatio | Level | Unit | MCLG | MCL | Likely Source of Contamination |
| • | n | Detected | Measureme | | | • |
| | Y/N | | nt | | | |
| Inorganic Contaminants | | | | | | |
| 9. Arsenic ² 2016 | N | DC .0090 | Ppb | n/a^2 | 50^{2} | Erosion of natural deposits; runoff |
| | N | SW .0092 | .01 | | | from orchards; runoff from glass and |
| | N | BV .0001 | | | | electronics production wastes |
| 11. Barium 2008 | N | DC .03 | Ppm | 2 | 2 | Discharge of drilling wastes; |
| | | SW .02 DV .03 | 2.0 | | | discharge from metal refineries; |
| | | | | | | erosion of natural deposits |
| 14. Chromium 2008 | N | <.0002 | Ppb | 100 | 100 | Discharge from steel and pulp mills; |
| 17 51 11 2000 | 3.7 | DC 12 | - | | 4 | erosion of natural deposits |
| 17. Fluoride 2008 | N | DC .12 SW .3 | Ppm 4 | 4 | 4 | Erosion of natural deposits; water |
| | | DV .09 | 4 | | | additive which promotes strong teeth; discharge from fertilizer and |
| | | | | | | aluminum factories |
| 18. Lead 2015 | N | | ppb | 0 | AL=15 | Corrosion of household plumbing |
| 10. Ecua 2013 | 11 | <.005 | PPO | | 7112-13 | systems, erosion of natural deposits |
| 19. Mercury (inorganic) | N | <.0002 | ppb | 2 | 2 | Erosion of natural deposits; discharge |
| , , , , , , , , , , , , , , , , , , , | | | TT. | | | from refineries and factories; runoff |
| 2008 | | | | | | from landfills; runoff from cropland |
| 20. Nitrate (as Nitrogen) | N | SW <.50 | ppm | 10 | 10 | Runoff from fertilizer use; leaching |
| | | DC <.50 | | | | from septic tanks, sewage; erosion of |
| 2016 | | BV <.50 | | | | natural deposits |
| 74. TTHM ³ | N | SW | ppb | 0 | 80 or 100 ³ | By-product of drinking water |
| [Total trihalomethanes] | | <.0005 | | | | chlorination |
| | | BV <.0005 | | | | |
| 2016 | | DC | | | | |
| Every 3 years | | <.0005 | | | | |

In our continuing efforts to maintain a safe and dependable water supply it may be necessary to make improvements in your water system. The costs of these improvements may be reflected in the rate structure. Rate adjustments may be necessary in order to address these improvements.

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA/CDC guidelines on appropriate means to lessen the risk of infection by cryptosporidium and other microbiological contaminants are available from the Safe Drinking Water Hotline (800-426-4791).

Please call our office if you have questions. 928-567-4338

We at Verde Lakes Water Corporation work around the clock to provide top quality water to every tap. We ask that all our customers help us protect our water sources, which are the heart of our community, our way of life and our children's future.