

ORIGINAL



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ARIZONA CORPORATION COMMISSION

4708

UTILITY COMPLAINT FORM

Investigator: Brad Morton

Phone: (602) 542-0836

Fax: (602) 542-2129

W-01412A-04-0736

Priority: Respond Within Five Days

W-01412A-04-0849

Opinion No. 2005 - 45439

Date: 7/14/2005

Complaint Description: 08A Rate Case Items - Opposed

First:

Last:

Complaint By: T.C.

Crownover

Account Name: Crown Charter School

Home: (000) 000-0000

Street: 12450 West Maryland Avenue

Work: (623) 535-9300

City: Litchfield Park

CBR:

State: AZ Zip: 85340

is:

Utility Company: Valley Utilities Water Company, Inc.

Division: Water

Contact Name: Robert Prince

Contact Phone: (602) 935-1100

Nature of Complaint:

Docket W-01412A-04-0736

6 pages of documents disputing rate increase and claiming unfair treatment by utility.

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion entered and docketed .

\*End of Comments\*

Date Completed: 7/14/2005

Opinion No. 2005 - 45439

AZ CORP COMMISSION  
DOCUMENT CONTROL

2005 JUL 14 P 12:10

RECEIVED

Crown Charter School  
James Shade  
TC Crownover  
12450 West Maryland Ave.  
Litchfield Park, AZ. 85340  
Phone: (623) 535-9300

**BEFORE THE ARIZONA CORPORATION COMMISSION**

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IN THE MATTER OF THE APPLICATION  
OF VALLEY UTILITIES WATER COMPANY,  
INC. FOR AN INCAREASE IN ITS WATER  
RATES FOR CUSTOMERS WITHIN  
MARICOPA COUNTY, ARIZONA AND  
FOR ISSUE OF PROMISSORY NOTES & COSTS.

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DOCKET NO. W-2-01412a-04-0736  
-0849

**CUSTOMER'S TESTIMONY**

Crown Charter School is a customer of Valley Utilities Water Company, Inc. and I, TC Crownover, am speaking in behalf of Crown Charter School. Our address is 12450 West Maryland Avenue. Litchfield Park, Az. 85340.

While we understand the need to comply with Federal regulations on arsenic treatment, we are opposed to:

- 1. Such a large increase in the rates and assessments for schools. We must have several 2" lines.**
- 2. There is no mechanism for water meter non-assessment that is put in for future development.**
- 3. Withholding printed materials about rates, hook up fees and assessments from the customer.**
- 4. Very concerned about the unfairness and bias of Valley Utilities Water Company, Inc. that has been exhibited against Crown School and other resident customers, yet favors others and we have concerns about conflict of interest.**

**INCREASE TOO HIGH FOR SCHOOLS.**

Firstly Crown School is **a non-profit, public benefit, public elementary school.** We serve the people of the community. This public school cannot afford the high increase in the water rate. We are required to have several 2" meters to serve the children of the community.

There is no profit here. Crown School receives approximately 28% less funds than regular public schools. Furthermore, we must go into debt with both the company and personally just to provide a school campus for the children. Funding their education is tight and I personally have never received a salary. I don't like working free. I don't know of anybody at the water company working for free. Yet – **they are a PRIVATE WATER COMPANY – FOR PROFIT.** . What sacrifice are they making to serve the people?

**The school has three 2" meters.**

- Q. What is the breakpoint for three 2" meter?
- Q. What accommodations are made for a 2" "future development" meter.  
It seems that when the street is torn up it is the time to also put in accommodations to be able to serve the growth of the company without a second digging up of the street.
- Q. What is the break for the public school?

**Printed Material not accessible.**

The printed material with rates should be available to the general public and displayed where the public can easily take a copy.

This water company does not do this. Their connection fee and rate card is only accessible by the employees of the water company. I had a difficult time getting to see a rate sheet and was, in fact, refused the information. I received it only after one of Mr. Prince's sons was alone in the office and he handed it to me. Mr. Prince falsely accused me of going behind his counter and "stealing" it.

**Unfairness and bias of Valley Utilities Water Company, Inc.**

**This water company is asking for a huge increase in it's rates. What assurance can there be that the water company won't just arbitrarily assess one group more than another regardless of what is given in this testimony?**

**Valley Utility Water Company, is unfair in it's connection fee practices.**

Example # 1. The vacant lot next to the water company's vacant lot by their water storage on Maryland Avenue was owned by Kevin Ross. Kevin Ross reports that Bob Prince quoted an astronomical price for a hook in the event that Kevin Ross built upon his vacant lot. **As a result, Kevin Ross sold his lot, stating it was cost prohibitive to put water on the lot to build his new home.** I personally negotiated to purchase the property for the church to give me the additional acreage to start Crown School at the Living Springs Church location. Bob Prince, upon discovering the sale was extremely angry and sought me out and told me that he wanted that piece of property. He said either he or his brother were planning to purchase that lot for the water company..

Example # 2. **Bob Prince charged "0" to set the water meter for the Living Springs Church.** Crown Charter School needed the treated water for the school children.

Bob Prince's testimony before you today addresses his concern about consistency to his customers and therefore he can't help the needy families with a rate reduction. Yet his practice in reality is just the opposite and I see no way to regulate his personal injustice.

**EXTREME BIAS AGAINST CROWN CHARTER SCHOOL.** Although Crown Charter School initiated the water connection at the Living Springs Church and did, in fact, pay 75% of the costs related thereto plus 75% of the entire monthly water bill and was served water for the children, Bob Prince chose to ignore that fact that Crown School was a customer and wanted to refuse to serve water to me at the new school.

**A \$120,000.00 connection fee was quoted to Crown Charter School just to hook onto the existing water line going directly in front of the school at 12450 W. Maryland Avenue along with a promise from Bob Prince that there would also be additional fees – but he wouldn't say what they were.**

- **The Utilities Commission had to intervene on the school's behalf. Prince was relentless. The commission compelled him to reduce the rate which he took down to \$21,000.00 connection fee due immediately. He says he will return \$12,000 of it over 10 years. So the school is helping to finance his private business venture at 0% interest return and doubtful if we will ever see a return.**

- **Prince next – refused to put in the water meters even after we paid for it. He held it up for several more months and again --- The Utilities Commissioner had to intervene. Construction had come to nearly a standstill and the fire sprinkler system needed to be tested. We even had to pay our contractors to dig and connect the water line in the street – all the way across the street and put on the saddle in order to get water to the school.**
- **Bob Prince used Valley Utilities Water Company, Inc. to try to put Crown Charter School out of business.** There was vacant land all around, yet Bob Prince chose to try to condemn a 30 foot X 660 foot easement through the middle of the school's playground – stopping construction, destroying the school's client base and all this to benefit Heritage school – the competition – who was planning to build their school north of Crown Charter School. There were **3 other available methods of delivering water to Heritage without interfering with Crown's operation.** Even after Bob Prince took his line to the west of **Crown School**, he continued legal action against the school for the easement to go through the school. It cost the school \$35,000 in legal fees. **BOB PRINCE LOST IN COURT** and the superior court of Arizona has instructed him to pay back over \$20,000 of the \$24,000 costs that were presented to the judge. SEE ATTACHMENT and kindly notice Bob Prince "CC" to the attorney for Heritage School to pay the bill. Some attorneys might be thinking collusion.

We have suffered a lot and unjustly.

**MY POINT IS** --- Valley Utilities Water Company is **UNFAIR AND BIAS** against Crown Charter School and while Bob Prince speaks softly to you, he in reality is the town bully. **I need protection.** I have no reason to believe that a fair and unbiased rate will be changed to the school regardless of what is set here today, without specific instruction from the Commission.

We have three 2 inch meters. One 2 inch meter will become inactive and be just there in reserve for when we expand to middle school.

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### **CONCLUSION AND REQUEST**

We understand the need for water treatment and rate hikes. However, unlike the private, for profit water company, Crown School is truly a non-profit, public benefit public school serving the families of the community. The school cannot afford the high rate and cannot afford to take out meters and put meters back at the astronomical costs of \$21,000 to hook up again when the school expands.

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Secondly, we do not believe that Bob Prince of Valley Utilities Water Company can be fair to Crown Charter School and we feel certain that we shall be overcharged at every opportunity that presents itself.

**WE IMPLORE YOU TO HELP CROWN CHARTER SCHOOL BY SETTING A  
LOWER RATE FOR THE SCHOOL.**

**Thank you for your consideration.**  
**Crown Charter School**

**GALLAGHER & KENNEDY**

P.A.

ATTORNEYS AT LAW

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July 1, 2005

VIA FACSIMILE

Dale Zeitlin, Esq.  
Zeitlin & Zeitlin, P.C.  
5050 N. 40th Street, Suite 330  
Phoenix, Arizona 85018-2194

Re: *Valley Utilities Water Company v. Crown Charter School, et al.*

Dear Dale:

The client is requesting that the attorneys' fees judgment be paid in monthly installments of not less than \$2,000 with the unpaid balance accruing interest at the rate of 6% per annum. Please let me know if these terms are acceptable to your client.

I appreciate your cooperation with this matter.

Very truly yours,

GALLAGHER & KENNEDY, P.A.

By:   
Anthony H. Misseldine

AHM:cak  
cc: Leonidas Condos, Esq.

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