

W 01580A-07-0707

W-01580A-08-0209



0000088527

ARIZONA CORPORATION COMMI

ORIGINAL

UTILITY COMPLAINT FORM

Investigator: Brad Morton

Phone: [REDACTED]

Fax: [REDACTED]

RECEIVED

Priority: Respond Within Five Days

2008 SEP -9 P 4: 27

Opinion No. 2008 - 71267

AZ CORP COMMISSION DOCKET CONTROL Date: 9/8/2008

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Kevin Last: Martin

Account Name: Kevin Martin

Home: [REDACTED]

Street: [REDACTED]

Work: [REDACTED]

City: Payson

CBR: [REDACTED]

State: AZ Zip: 85541

is: [REDACTED]

Utility Company: Tonto Village Water Company, Inc.

Division: Water

Contact Name: [REDACTED]

Contact Phone: [REDACTED]

Arizona Corporation Commission

Nature of Complaint:

DOCKETED

Docket No W-01580A-07-0707

SEP -9 2008

Kevin Martin

[REDACTED]
Payson, AZ 85541

DOCKETED BY [Signature]

August 17, 2008

Dear Regulatory Agency,

My family and I live in Tonto Village 2. We are customers of Tonto Village Water Company. My concern is the water. The imbalance of chemicals in the water is making people sick. My skin is drying at an accelerated rate, and this morning, August 13, I spent 4 hours in the Emergency room with an extreme skin reaction all over my body that I had to be treated for with injections and follow up with pills.

I had a stroke on NOVEMBER 19th and I don't need to have to worry about the water and its chemical balance when I take a shower or just even brush my teeth. The doctor has advised me not to take showers until this reaction goes away and not to shower until we buy filters for our whole house water supply. I am not the only person having trouble with the water; the water quality is a source of topic as other residents and myself are now testing the amount of chemicals in their water everyday. They are fmding chlorine readings over 3 ppm for extended period of times. Something needs to be corrected; Standage's are the only ones who maintain and repair the water lines and wells. When the chlorine smells and is too strong they need to bleed off the lines. The Standagès do not care for their system properly, they perform temporary fixes with substandard parts.

Last winter our neighbors were out of water for 12 days. They the water company built a bonfire on top of where they thought the water line was, instead of digging out and replacing the line from the joint. Many water lines are only 2 or 3 foot deep, no where in compliance with MAG SPECS. I am familiar with this, I was a Department of Public Works Supervisor over Construction and Maintenance for the City of Mesa for 26 years. I understand everyone has there own way but this is not tight.

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

The negligence of the water company may force me to take legal action since these excessive chemicals may cause my body to go into shock and bring on a stroke. My physicians recommended that I move to the mountains for my health and to avoid the stresses from pollution. This is a serious threat to my health and well being.

Please find a way to make the water company correct this problem.

Sincerely,

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion docketed.

End of Comments

Date Completed: 9/8/2008

Opinion No. 2008 - 71267

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

The repairs are typically made with rubber boots secured with band clamps, that cannot be screwed too tight or it will crack the pipe. Over the years the rubber and or band clamps deteriorate allowing seepage that may in many cases be undetectable at the surface. In questioning some of the Company's past employees and contracted repair personnel, as many as 5 breaks a year may be typical. Servicing leaks is very frustrating because the repairs are dubious at best. Some repairs had to be redone multiple times due to ground movement causing consequential leaks.

This piping is extremely vulnerable to abrasion and cracks due to expansion and contraction of the clay soils cause by temperature changes and seasonal saturation. One of the repair personnel of the water company said that it is not uncommon for a small rock to migrate next to the pipe and eventually etch its way through the thin wall. The leaks may be so small as to not be noticed for a considerable amount of time, but when the system has pressure fluctuations or repairs it can siphon in the surrounding septic contaminated soil and expose residents to e-coli. How many old patches are failing over the last 50 years underground?

Tonto Village has a high profile history of septic system violations due to the small lot size and poor quality high clay soils, affecting both residents and the water resources. There is a very high probability of cross-contamination of septic saturation and potable water. I have met with all the Gila County wastewater engineers since 1995 regarding the septic failures in Tonto Village, which has historically been a problem for them. Also ADEQ has acknowledged that this area is widely known for serious septic problems. There have been numerous cases of system failure including surfacing, saturation and drift outside of the designated leach field areas into the areas containing the fragile water mains that have had numerous breaks over the years.

The cross-contamination issue caused by bad piping and bad repair procedures, coupled with the severe potential e-coli problems, needs to be immediately subject to discovery processes at the Arizona Corporation Commission (ACC), so corrective orders can be issued by the Commissioners to protect our citizens. A copy of this letter is being provided to appropriate ADEQ staff members to request immediate action on their part to resolve this health threat. ADEQ has already come to our Village once to evaluate the possibility of excessive chlorine levels being injected that may be masking the real results of cross-contamination.

For years the Standages have said that they want to sell their water company and recommended that the residents of Tonto Village set up a water improvement district (District) and a board of directors for the sole purpose of purchasing and operating the village wells and delivering water to village residents. The District was formed last year and a board of directors elected by a vote of the citizens of Tonto Village in November of 2007. The sole purpose of the Board is to purchase the Company's assets and establish priorities and a strategy that would provide adequate supply of SAFE water. Since being seated in January the Board has been actively offering to negotiate with the Company and to date has been met with only delay tactics.

The Company states that they will install a new well. If they pursue this in the same manner that they have maintained the water company to date I would seriously doubt that they will spend the time and money to obtain a sound geological study to determine the most advantageous location, geology and depth required for a successful outcome. And any attempt to drill a haphazard well, in close proximity to an existing well, and with no scientific study or deep well research, will likely result in wasted money, in which case I and others will contest commensurate rate increases, due to Tonto Village Water Co. cutting corners.

Even though the new well is important to guarantee an adequate water supply I feel that the exposure of the residents to unhealthy water due to over-chlorination, cross-contamination potential caused by poor piping quality and location to be even a more immediate issue. I as well as many residents request the replacement of the infrastructure to be the next priority in line for an Arizona Corporation Commission required improvement.

I have been in contact with a number of residents that are now finding out that they have similar symptoms due to exposure from high levels of chlorination. Two of their complaint letters are attached and others are coming. We are in the process of obtaining corroborating comments from their physicians. A few of them mentioned to me that their garden hoses would initially foam when they turned them on. From discussions with others familiar

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

with chemical reactions this may very well be a byproduct of chlorine mixing with organics, possibly from emss-contamination in the piping. Further field testing may reveal serious exposure to consequential production of trihalomethanes (film's). After discussions with the residents we desire a formal evidentiary hearing and to consider the high risks and possible violations of safe drinking water practices in exposing the residents to continuous over chlorination which may be a cover-up of bacterial exposure due to the dangerous infrastructure.

If the Tonto Village Water Co. is over dilorinating due to the concern of exposure to bacteria due to cross-contamination then they need to provide and maintain, at their expense, whole house filtration systems to all residents to protect them from the chemicals in the interim until the new piping is installed.

The Standages have indicated, in public meetings, that they want to sell the capital stock of the Company to the District. I believe this may cany potential liabilities due to exposure to high levels chlorine or any of its byproducts or if any serious illness becomes tied to the bacterial infiltration of the distribution lines. This type of liability is one of the reasons that the District should only be interested in purchasing the operating assets, not capital stock. The ACC and ADEQ should act in a timely manner to contain any legal actions to the Tonto Village Water Co.

I have notified all the parties (see attached sea-vice list) induding the Company of this complaint Please notify me at once if there are any concerns or questions related to this request and of your date of docketing the 13 copies of this letter (see attached return envelope) and of the date of granting this request Please contact me within seven days as to what specific corrective action you plan to take. Your urgent response is required to protect the health of several hundred people. On-site follow-up by the ADEQ field compliance staff is requested within the next 48 hours. Your assistance in this important matter will be greatly appreciated.

Cordially,

Jeny lewinson

Service List For. Tonto Village Water Company, Inc.

Cc: Ronald Standage

Tonto Village Water Company, Inc. P.O. Box 9116 Mesa,AZ 85214

Christopher Kempley, Chief Counsel

Legal Division

Arizona Corporation Commission, Utilities Division

1200W. Washington Street

Phoenix, AZ 85007

Ernest J. Johnson, Director Utilities Division

Arizona Corporation Commiscion

1200 W. Washington Street Phoenix, AZ 85007

Robin Mitchell

Staff Attorney

Arizona Corporation Commission, Utilities Division

1200W. Washington Street

Phi,enix, AZ 85007

Marlin Scott Jr.

Utilities Fiwjneer

Arizona Corporation Commission

1200W. Washington Street Phoenix, AZ 85007

Bradley Morton

Consumer Analyst

Arizona Corporation Commission

1200W. Washington Street Phoenix, AZ 85007

Donna Calderon

Manager Drinking Water Division

Arizona Department of Environmental Quality

1110W.WashingtonSt.

Phoenix, AZ 85007

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

John Gibbons
Manager Water Quality Field Services
Arizona Department of Environmental Quality
1110W.WashingtonSt..
Phoenix, AZ 85007

Gregory Frech
Inspector Drinking Water Field Services Unit
Arizona Department of Enviixmmmental Quality
1110W. Washington St
Phoqix, AZ 85007

Karen Beny
Water Quality Field Services Unit
Arizona Depariment of Enviymmental Quality
1110W.WashingtonSt
Phoenix, AZ 85007

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion docketed.
End of Comments

Date Completed: 9/8/2008

Opinion No. 2008 - 71266
