

ORIGINAL

OPEN MEETING AGENDA ITEM



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October 21,2008

Arizona Corporation Commission
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AZ CORP COMMISSION
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Reference Docket # ~~W-01865A-07-0384~~ W-01865A-07-0384

I feel that not all information needed to make a good decision on the rate increase for Groom Creek Water is being given. The problem has been since Sept. 06 is that the current Water Board has had an issue with the management and operation of our system as they were inexperienced and had no knowledge of the jobs that they undertook and this little water company just could not afford on the job training. In the Water Board meeting in July Mr. Hodgson advised us members they were replacing 73 more meters and would pay their friend the plumber Vince Bruno \$60.00 an hour plus the cost of the meter to do so, when ask by one of the members if we were not going to put it out for bid, Mr. Hodgson ask Mr. Bruno if he would do it for a set price he said yes 100.00 and we were told Bruno was going to do it and that was it, they had already paid Bruno \$2,925.00 in labor for meter install. This is just a drop in the bucket as to the large amounts paid due to the mismanaging. In the past the previous board employeed a monthly salaried person for all this at \$950.00 per month for a qualified water operator not 60.00 hourly. The records of the annual reports show no negative balance at the end of the year until 2007 the first full year this Water Board operated the system and there was a loss of \$20,156.42. No ball game works without an umpire we need one to monitor this situation. In view of the past two years with this Water Board's record of management no matter how much money is made available it is not going to be used to properly obtain the best value for the operation of the system.. Silver King Circle has been the on going problem area for main line breaks although its been a year since last break, this is one of oldest areas, and those areas starting with Plat A through D need to have main lines replaced. Estates 1 and 2 were the latest to be installed and no evidence of problems there. As to the statement from the Contractor that has worked on the system this is the first time in all these years he has ever made this statement in regards to the system why had he not addressed this with any of the previous Board Members? Maybe because of prospect of future work on replacing system..

The general feeling is that this could be done in phases, finance over a longer period of time 30 years and smaller amounts. There are also several things that are not necessary to do right now like a storage tank for a total of \$107,870.00 and I question booster system \$94,842.00. The main lines are the issue lets focus on this a section at a time starting on the line in the roads that have had repeated problems. All we ask is that we approach this from a more conservative way than this project as proposed by Groom Creek Water Board, and for the all members of the Association be allowed to vote on the financing per Corp. By Laws amended by this Board July of 07. I am aware of 4 residents with larger pieces of property that are looking into drilling their own well and sharing with 3 nieghbor s this would take 16 users of the system. Hopefully we can approach this a better way to keep them on and also help the 40% of retired folks living here that this 50.00 increase would greatly affect in a negative way in our bad economy.
Thank you for your time in this matter.

Sincerely,

Patty Berry

Arizona Corporation Commission
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MMA