

ORIGINAL



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ADMITTED TO PRACTICE IN:  
ARIZONA, COLORADO, MONTANA,  
NEVADA, TEXAS, WYOMING,  
DISTRICT OF COLUMBIA

February 7, 2012

Arizona Corporation Commission  
DOCKETED  
FEB 10 2012  
DOCKETED BY [Signature]

Docket Control  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

Re: Compliance Condition in Decision No. 72002  
Docket No. W-20689A-09-0327  
and Docket No. W-04236A-09-0327

To Whom It May Concern:

As a follow-up to a July 12, 2011 compliance filing with the Seventh Ordering Paragraph of Decision No. 72002, enclosed is a copy of a February 2012 Water Loss Reduction Plan which outlines the continued efforts of Gary Smyth to address and resolve water loss issues on the Tierra Linda water system.

Please advise me if you have any questions regarding this letter or the enclosed information.

Sincerely,  
*Angela R. Trujillo*  
Angela R. Trujillo  
Assistant to  
Lawrence V. Robertson, Jr.

cc: Carmel Hood  
Gary Smyth/Lisa Sullivan

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# TIERRA LINDA WATER COMPANY

## Water Loss Reduction Plan

February 2012

### **Background**

Tierra Linda Water Company is located in Tucson, Arizona near the Town of Marana. The primary service area is the Tierra Linda Nueva subdivision consisting of single family homes on one acre lots. To date, approximately 60 lots have active service connections. There are expected to be approximately 300 homes at build out.

The system is comprised of one well (55-801582), one 5,000 gallon pressure tank, a 400,000 gallon water storage tank, and approximately 9,500 feet of transmission and distribution mains. Both the well and the booster are metered.

Tierra Linda Water Company was acquired by Gary Smyth on April 1, 2011. It is managed by Smyth Utility Management, Inc., which is also owned by Mr. Smyth.

### **Purpose**

This plan has been prepared for the Arizona Corporation Commission as a follow-up to an informal plan submitted in June 2011. This plan will address the unaccounted for water loss, describe the steps already taken to discover the cause of the water loss, and detail the events that are scheduled to take place to solve the water loss issue at Tierra Linda Water Company.

### **Types of Water Loss**

AWWA defines water in two ways: real loss vs. apparent loss. Real loss is defined as loss through leakage on transmission and distribution mains, breaks, leakage and tank overflows, flushing, and service connection leakage up to the point of customer connection. Apparent losses are described as metering inaccuracies, billing inaccuracies, and unbilled or unauthorized consumption. Tierra Linda Water is experiencing both real and apparent loss. Please see Exhibit "A", which shows the comparison between gallons billed and gallons pumped along with the water loss ratio for 2011.

### **Water Loss Reduction Plan**

#### **Action Plan**

The staff of Tierra Linda Water and Smyth Utility Management has been working diligently to determine the cause of the water loss. Some of the steps taken since our last plan submittal are as follows:

##### **Real Loss**

- Performed a visual inspection of all plant equipment, hydrants, and distribution lines.
- Visually inspected all meter boxes for leaks.

- Looked for ponding or signs of water leakage from customer connection to the home.
- Checked accuracy of flow meters on both the well and booster. \*\*\*Replacement flow meter for the well is on order.
- Performed visual inspection of all hydrants. Placed locks on hydrants if necessary.
- \*\*\*Scheduled for February 20, 2012—Western Technology will perform ground penetrating radar testing along mains and distribution lines to assess for leakage.
- Repaired or replaced leaking service lines as discovered. We have had to replace approximately 5 service lines to date. These lines were installed prior to Mr. Smyth's ownership and were installed incorrectly. The lines are crimping and splitting causing a slow leak underground. Quite a bit of water is lost before the water loss shows above ground due to the depth of the line and the soil in the area. We believe that the ground penetrating radar will find other undetected underground leaks that will need to be repaired. Please see a picture of a line break discovered on 1/27/12 marked as Exhibit "B".

#### Apparent Loss

- Insured that office staff is billing all usage. The office staff has checked to make sure all of the installed meters have an active account and are being read and billed on a monthly basis.
- Replaced all meters that appear to be under reading. We have replaced 4 meters since July that were under reporting usage.
- Locate any unauthorized usage. There has been a history of water theft through one of the hydrants. We do not feel that it is an issue anymore.

#### Summary

The unaccounted for water at Tierra Linda Water Company will be tracked on a monthly basis and reported to the Arizona Corporation Commission upon staff's request. We are striving to get the water loss under ten percent and feel that the steps we are taking will accomplish that goal by mid to late 2012. Tierra Linda Water Company is fully committed to solving this problem and will consider conducting a complete water system audit should the steps listed above fail to bring the unaccounted for water to ten percent or less.

2011	GALS BILLED	GALS PUMPED	Well #1	LOSS RATIO	READ DATE	BILL DATE	DUE DATE	BILL COUNT
READ AS OF 12/31/10			28237000					
JAN	447100	521000	28758000	14.18%	1/31/2011	1/31/2011	2/22/2011	63
FEB	376280	460000	29218000	18.20%	2/28/2011	2/28/2011	3/16/2011	62
MAR	386380	609000	29827000	36.56%	3/29/2011	3/29/2011	4/18/2011	62
APR	403760	500000	30327000	19.25%	4/26/2011	4/26/2011	5/16/2011	62
MAY	497130	653000	30980000	23.87%	5/26/2011	5/31/2011	6/20/2011	63
JUN	625100	713000	31693000	12.33%	6/28/2011	6/28/2011	7/18/2011	63
JUL	680020	854000	32547000	20.37%	7/26/2011	7/26/2011	8/22/2011	63
AUG	799660	1017000	33564000	21.37%	8/29/2011	8/31/2011	9/19/2011	62
SEP	544120	596000	34160000	8.70%	9/26/2011	9/27/2011	10/17/2011	61
OCT	486870	582000	34742000	16.35%	10/24/2011	10/25/2011	11/21/2011	63
NOV	557670	692000	35434000	19.41%	11/28/2011	11/30/2011	12/19/2011	63
DEC	407950	466000	35900000	12.46%	12/27/2011	12/27/2011	1/16/2012	63
WATER LOSS RATIO IS CALCULATED BY SUBTRACTING GALLONS BILLED FROM GALLONS PUMPED AND DIVIDING THAT								
NUMBER BY GALLONS PUMPED MULTIPLIED BY 100.								



Tierra Linda  
Exhibit "B"