

ORIGINAL



0000136851

Bobby Jones, Private Citizen  
Lois Jones, Private Citizen  
7325 N. Caballero Rd.  
Payson, Arizona [PZ 85541-6304]  
(928) 478-4041  
FAX: (928) 478-4041  
In Propria Persona

RECEIVED

2012 MAY 15 A 10:30

ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission  
**DOCKETED**

MAY 15 2012

DOCKETED BY *ZM*

**COMMISSIONERS**

Gary Pierce, Chairman  
Paul Newman, Commissioner  
Brenda Burns, Commissioner  
Bob Stump, Commissioner  
Sandra D. Kennedy, Commissioner

**Before the Arizona Corporation Commission**

J. Stephen Gehring, Bobby Jones, Lois  
Jones Private Citizens, Injured Parties,  
Complainants,

vs.

PAYSON WATER CO. INC./BROOKE  
UTILITIES INC.  
Respondents.

**DOCKET NO. W-03514A-12-0008**

**NOTICE OF COMPLAINANTS  
BOBBY JONES AND LOIS JONES  
FILING THEIR "DIRECT TESTIMONY"  
PER PROCEDURAL ORDER  
OF MARCH 19, 2012.**

**NOW COME**, the Complainants Bobby Jones and Lois Jones, to give Notice of their "Direct Testimony" to the Commission in compliance with the Procedural Orders of March 19, 2012.

We had heard many disturbing "stories" about Brooke Utilities, Inc. prior to moving into the community of Mesa del Caballo but didn't think it to be anything more than normal people complaining about normal utility companies. Many people in the communities served by BUI refer to them as "Crooks Utilities". Once we settled into Mesa del Caballo, just over three years ago, we began to see firsthand the inconsistencies and fraudulent activities of the company.

We live in the first home on the main entry to the community of Mesa del Caballo and therefore can see most of the traffic that enters into the community. We became more concerned as we saw the string of water trucks coming and going from the community increasing. There were times when it appeared that these trucks were leaving the community with a load.

Things really became suspicious beginning in May, 2011 when we did not receive our May Statement which was supposedly issued on May 20, 2011. We did not think too much about it at first as things do get lost in the mail but when more & more people around the community commented about not having received this same statement we began to get suspicious about what could be happening. We then made several attempts to acquire a copy of the May, 2011 statement only to be repeatedly told by customer service that they were unable to send out duplicate statements. Finally on August 15, 2011 we called and requested copies of the February, March, April, May and June, 2011 Statements which were faxed to us from Jaco Oil Brooke Utilities that same afternoon! When we finally received the May, 2011 statement by bundling it in with a request for several other months we discovered Service and Commodity charges on the Statement were printed twice. We found out later from Mr. Gehring that Ellen Kitchen from the United States Postal Service had been instructed to throw those statements away. Many Customers had their service disconnected for non-payment of a statement which they never received! Customers have the right to receive uninterrupted service except in emergencies.

We did received our June Statement which surprisingly appeared normal because it did not include a Water Augmentation Surcharge which expected due to having been notified to be prepared to see in this billing time frame.

On July 21, 2011 Mr. Hardcastle and the self appointed El Caballo Club Water Committee had a meeting at Payson First Church of the Nazarene which we were unable to attend. We later were able to attain a copy of the PowerPoint slides and see an audio/video recording of the meeting from Mr. Gehring. This meeting, in retrospect, seemed to target a way to prepare the people in the community of Mesa del Caballo for the upcoming Water Augmentation Surcharges on the July bill.

We received the July 2011 Statement and discovered that we had been charged approximately three (3) times our normal water bill including Five (5) times the normal tax. We made several calls to Brooke Utilities, Inc. Customer Service about this bill most of which were not responded to at all even though the answering service message said that they would respond to messages left within 3 hrs. of the call and to please not to leave repeated messages as that would only bog down their system. After 24-48 hrs. of waiting for a return call we figured that they would not be returning our call so we did pursue calling approximately every hour until our call was finally answered. When we inquired as to wheather there had been a billing error we were assured that all the charges were correct.

On August 4, 2011 Mr. Hardcastle and the Meas del Caballow Water Committee held another informational meeting for the Mesa del Caballo community which we were able to record by

audio/video means. At this meeting the people from the community were outraged due to the Water Augmentation Surcharge which was exorbitantly more than we had ever planned to pay according to the fee schedule give to the Mesa del Caballo community residence. After things calmed down and the Mr. Hardcastle gave his presentation we discovered with the help of Mr. Gehring that all of estimates for various alternative solutions were extremely inflated by a factor of 2.5 to 3 and Mr. Hardcastle was making extreme misrepresentations to the community of Mesa del Caballo.

By August 22, 2011 we along with Mr. Gehring had already done a lot of research on what had been presented at the past two community meetings along with public records obtained from both the ACC and ADWR Web Sites and completed our "Informal Complaints."

Upon reviewing our "Informal Complaint" Mr. Brad Morton contacted requesting us to contact Mr. Gehring to combine our complaints due to the fact that they were similar complaints. At this point we kept our "Informal Complaint" separate from that of Mr. Ghering so if one of us did not have the ability to carry on to the level of a "Formal Complaint" there would be a chance the other could.

Once the "Informal Complaints" were filed we waited for a response from Mr. Hardcastle. Mr. Hardcastle's response came in the form a defensive demeaning article in The Payson Roundup making many false accusations against people in the community.

As we looked into other communities served by Brooke Utilities, Inc., we began to see a pattern in the communities they serve. People complained of poor customer relations along with unnecessary water hauling charges due primarily to what seemed to be poor system maintenance such as inferior repairs to the water system and other such issues.

This is a scenario repeated at least in Pine Strawberry and Whispering Pines. All Payson area communities are aware of this history pattern and the attempts of the Arizona Corporation Commission to resolve Mr. Hardcastle's flagrant violations, noncompliance and lack of investment into his systems. He has no one to blame but himself for the reputation he has acquired.

Several months and after many conversations with Mr. Brad Morton trying to move our complaint to the next phase it seemed as though our complaint had been put on a back burner. It seemed to be something Mr. Morton did not want to deal with.

We found that Mr. Gehring through conversations with Mr. Morton was told that Mr. Hardcastle had claimed that since they had failed to bill for the Water Augmentation on the June 2011 Statement the Company was going to "eat it." Obviously Mr. Hardcastle had lied to Mr. Morton because they did not eat it, they manipulated it and put it on our July, 2011 Statement. Mr. Morton also informed Mr.

Gehring that Mr. Hardcastle does not have to maintain or repair the system! At this point all we knew was that something had to be done to protect our community of Mesa del Caballo and the Commission from the fraud being perpetrated by Mr. Hardcastle and his Companies.

The Payson Roundup printed an article stating that the complaints filed against Brooke Utilities, Inc. had all been dismissed! At this point we contacted the Arizona Corporation Commission to find out what was going on and were told that our complaint along with Mr. Gehring's and Mr. Smith's had not been dismissed however nineteen others had. Mr. Morton later contacted all of us and suggested we combine our complaints into one complaint and sent us the Formal Complaint documentation to file. Upon review and discussion we and Mr. Gehring decided to combine our complaints into one. Mr. Smith decided to do his separate.

On or about January 9, 2012 we and Mr. Gehring filed our Formal Complaint.

We fully and completely stand behind the Complaint with some revision due to newly discovered evidence.

The well production in our community of Mesa del Caballo and the water produced by the wells according to the record logs is enough to supply the MDC community. We have a manufactured crisis with Mr. Hardcastle willing to "solve" our problems at our expense adding to his coffers. Our observation has been that wells do not run at night to recharge the system so recovery is slower at peak demand.

The biggest fear now mounting in the community of Mesa del Caballo is the scenario we face with Mr. Hardcastle's possible control of the Craigen Pipeline. What new ways will he design to violate his customers for yet even more money and no repairs?

**Respectfully submitted** this 14<sup>th</sup> day of May, 2012

  
Bobby Jones, in Propria Persona

  
Lois Jones, in Propria Persona

**CERTIFICATE OF SERVICE**

The Original and 13 copies of the foregoing Motion have been mailed this 14<sup>th</sup> day of May, 2012 to the following:

DOCKET CONTROL  
**ARIZONA CORPORATION COMMISSION**  
1200 West Washington Street  
Phoenix, Arizona 85007

Copies of the foregoing Motion have been mailed this 14<sup>th</sup> day of May, 2012 to the following:

J. Stephen Gehring  
8157 W. Deadeye Rd.  
Payson, Arizona [PZ 85541]

Robert T. Hardcastle  
P. O. Box 82218  
Bakersfield, Ca. 93380

By:  \_\_\_\_\_