



BEFORE THE ARIZONA CORPORATION COMMISSION

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DOUG LITTLE
Chairman
BOB STUMP
Commissioner
BOB BURNS
Commissioner
TOM FORESE
Commissioner
ANDY TOBIN
Commissioner

Arizona Corporation Commission

DOCKETED

OCT 04 2016

DOCKETED BY *[Signature]*

IN THE MATTER OF RECENT WATER
OUTAGES, WATER QUALITY, AND
CUSTOMER SERVICE ISSUES AT
BROOKE WATER, LLC AND CIRCLE
CITY WATER LLC AND THE NEED FOR
POTENTIAL REMEDIAL ACTIONS

DOCKET NO. W-03039A-16-0322
W-03510A-16-0322
DECISION NO. 75755
ORDER

Open Meeting
September 23, 2016
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

INTRODUCTION

1. On August 21, 2016, at approximately 9:00 p.m., a water outage occurred on the Brooke Water, LLC ("Brooke") Lakeside Water System ("Lakeside") with service interruptions of varying magnitudes occurring over a three day period from five separate water line breaks. The Arizona Corporation Commission ("Commission") held a Special Open Meeting on Monday, August 29, 2016, to receive a status update on the water outages, water quality, and customer service issues at Brooke and Circle City Water Company, LLC ("Circle City") and to discuss a possible complaint order to show cause, possible preliminary relief, or other enforcement action. After a lengthy discussion of the outage and measures taken by the Company to address the outage, the Commission asked the Utilities Division Staff ("Staff") to do an investigation of Brooke and Circle City, their complaint

1 Brooke was incorporated in 1995; it is owned by Robert Hardcastle (managing member) and Chrystal Investments, LLC (a California registered Company).

1 history, circumstances surrounding the outage, and other matters relating to customer responsiveness,
2 financial fitness and operating condition of the Companies' plant. Staff was asked to also look at the
3 history of other affiliated water companies in Arizona. This Memorandum contains Staff's analysis
4 and recommendations with respect to remedial actions. During its preparation of this Report, Staff
5 conferred with Mr. Hardcastle on the findings and recommendations contained herein.

6 **BACKGROUND**

7 *Short Summary of Brooke, BUI and Arizona Holdings*

8 2. Brooke and Circle City are owned by Robert Hardcastle (10 percent) and Chrystal
9 Investments (90 percent). They provide water service to an area north of Parker, Arizona along the
10 Parker strip, and to an area near Circle City, Arizona. Mr. Robert Hardcastle is the managing member
11 of Brooke and Circle City. These two companies were originally owned by Consolidated Water
12 Utilities Co. LTD ("Consolidated"). Consolidated filed a bankruptcy petition under Chapter 11 and
13 subsequently all of the assets of Consolidated were sold at an auction sale on October 16, 1995 to
14 Brooke. In Decision No. 59435 (December 29, 1995), the application for approval of the sale of
15 assets and transfer of Certificate of Convenience and Necessity ("CC&N") of its Apache Junction
16 Division from Consolidated to Brooke was approved.² In Decision No. 59754 (July 18, 1996), the
17 application for approval of the sale of assets and transfer of the CC&N of Circle City and Colorado
18 River Division from Consolidated Ltd to Brooke was approved by the Commission.

19 3 In 1996, Brooke purchased United Utilities, C&S Water Company, Desert Utilities,
20 E&R Water, High Country Water, Pine-Oak Water and Williamson Waterworks, all of which had
21 outstanding Orders to Show Cause with customers experiencing billing issues, water service issues and
22 water shortages. See Decision No. 58779. The systems were in a deteriorating state.

23 4. In early 1998, applications were made to reorganize the water utilities' structure of
24 Brooke Utilities, Inc. ("BUI")³, to correspond with geographical boundaries. The applications included

25
26 2 In Decision No. 59435 (December 20, 1995), the transfer of the Apache Junction Division from Brooke to the Water
Utilities Community Facilities District and cancellation of the CC&N for Apache Junction was approved.

27 3 BUI was controlled by Chrystal Investments LLC which owned 90 percent of the stock and by Mr. Robert Hardcastle
28 who owned the remaining 10 percent of the stock. BUI is registered as a foreign corporation in California. The
Commission's e-Corp lists BUI as not in good standing and having been administratively dissolved for not filing annual
reports.

1 requests for approval of the transfer of portions of assets and corresponding CC&Ns of BUI's
2 existing water companies, Brooke Water, C&S Desert Utilities, High Country, Pine-Oak E&R, United
3 Utilities and Williamson Waterworks to the following companies: Brooke Water, Circle City Water C.,
4 LLC, Tonto Basin Water Co., Inc., Payson Water Co., Inc., Pine Water Co., Inc., Strawberry Water
5 Co., Inc., and Navajo Water Co., Inc. ("Transferees). The purpose of the reorganization was to
6 achieve operating, administrative, and regulatory reporting efficiencies. There were no changes in
7 terms of rates and tariffs, ownership, management or operations of the current water systems. The
8 Commission approved the reorganization on June 19, 1998, in Decision No. 60972.

9 5. Various sales and condemnations have resulted in CC&N cancellations for the Pine
10 Water Company and the Strawberry Water Company. On October 6, 2009, a Final Order of
11 Condemnation was entered by the Yavapai Superior Court in Case No. P13OOCV20090785 vesting
12 ownership and possession of Pine Water Company and the Strawberry Water Company in the Pine
13 Strawberry Water Improvement District. The CC&Ns for both Pine and Strawberry were cancelled
14 on April 6, 2010.

15 6. Payson Water Company, Tonto Basin Water Company and the Navajo Water
16 Company were subsequently sold to J. W. Water Holdings in June, 2013 under a confidential Stock
17 Purchase Agreement.

18 7. Brooke and Circle City are located in the Counties of La Paz and Maricopa
19 respectively. Brooke serves approximately 2,000 customers and Circle City serves approximately 190
20 customers respectively⁴. Brooke⁵ has 7 systems (if Circle City is included as a system) with customer
21 counts as follows: Holiday Harbor (226), Lakeside (799), Marina Village (226), Moovalya Keys (553),
22 Parker Dam (191), Rio Lindo (31) and Circle City (190). Tariffs for Brooke Water have been in effect
23 since April 1, 1994. Tariffs for Circle City Water Co. have been in effect since January 8, 1998.

24 *The Recent Brooke Water LLC Outage*

25 8. The outage occurred on a Sunday evening around 9:00 p.m. in Parker, Arizona. It
26 initially affected approximately 50 customers. Mr. Hardcastle first reported the outage to the
27 _____

28 ⁴ Annual Reports for year ending 12/31/2015.

⁵ Annual Report for Year Ending 12/31/15.

1 Commission's Consumer Services Division on Monday, August 22, 2016, at 1:44 p.m. Two additional
2 leaks erupted and were reported.

3 9. In the morning of August 23, 2016, at 7:09 a.m., Mr. Hardcastle provided an update
4 advising that Company personnel had again worked through the night repairing water main leaks. The
5 main leaks were caused by a high Pressure Reducing Valve failure. The valve was located between
6 four sections of customers separating upper Lakeside from lower Lakeside. The customers are
7 separated by various pressure zones because of elevation differences in the service areas. A high
8 pressure reducing valve holds back high pressure on one side of a valve against lower pressure on the
9 other side of the valve. The Company also reported that two additional leaks had erupted. On
10 Tuesday evening, August 23, 2016, Staff was advised that the valve was repaired and water was slowly
11 being introduced back into the lines and that by approximately 10:00 p.m., the lines were fully
12 pressurized. Water service had begun to slowly return to interrupted customer service sites on August
13 23rd. According to the Company, complete pressurization of the system was completed the evening
14 of August 23rd. Mr. Hardcastle also advised in an email communication to Staff the next morning
15 that water (non-potable) was delivered to a location in Parker for customers' use and bottled water
16 was also delivered.

17 10. Staff Engineer Frank Smaila noted that there had been a total of 5 breaks between
18 Sunday evening and Tuesday at 1:30 in the morning. The breaks occurred over a three day period
19 (August 21, 2016 thru August 23, 2016). The breaks were in the same general areas in the low
20 elevation area around the river.

21 11. At the Open Meeting, Mr. Hardcastle stated that on Tuesday morning, after numerous
22 conversations with the water operator, Dale Allred, he made the decision to contact other industry
23 sources because of the number of items that needed attention. He contacted EPCOR (Lake
24 Havasu/Bullhead City) to assist in returning customers to service. On August 24th, EPCOR made
25 permanent repairs during a planned outage lasting about an hour, which included rebuilding the
26 pressure release valves. Mr. Hardcastle then reported to the Commission's Consumer Section that the
27 Lakeside water system was functioning normally. EPCOR should be commended for providing
28 assistance to a smaller water company when it needed help.

1 12. At various times of repair during this period as many as 200 plus customers (and as
2 few as 50 plus customers) were out of service depending on pressure zones repair status and
3 construction replacement. The Lakeside system has approximately 800 customers with 200 of these
4 customers on the lower system and 600 on the upper system.

5 13. Consumer Services and others at the Commission began receiving calls from
6 customers and County Officials on August 23rd about the outage. They reported that they were
7 having difficulty reaching the Company personnel to obtain information on the outage. Chairman
8 Little convened a meeting with a number of agencies on Friday morning, August 26th. The primary
9 purpose of the meeting was to discuss what went wrong with the communications regarding the
10 outage and the need to immediately determine that the water was safe to drink. An ADEQ inspector
11 went out on Friday to test the water to ensure that it was safe to drink. Notification was received
12 from ADEQ over the weekend that the water was clean and safe to drink.

13 14. Apparently, County and Emergency officials had not been contacted about the outage.
14 One Official indicated that while the outage occurred on Sunday, he did not hear about it until
15 Tuesday. Further, he heard about it from a customer; not the Company.

16 15. Because of the numerous concerns raised regarding water safety, lack of
17 communication and other concerns such as the safety of the asbestos piping used in the system; the
18 Utilities Division Staff was asked to look at these issues and report back to the Commission.

19 **STAFF ENGINEERING, CONSUMER SERVICE AND FINANCIAL FINDINGS**

20 *The Brooke Water Plant Facilities -- Engineering Field Inspection Findings*

21 16. The plant facilities were field inspected on August 29, 2016, by Staff Engineer Frank
22 Smaila. Dale Allred, Brooke operations superintendent, accompanied Mr. Smaila on the site visit.

23 17. Lakeside water system's main and only water source is the Colorado River. Two
24 horsepower pumps are utilized to transfer river water to two pressure sand filters. Pressure filters are
25 used to remove solids from the river water. Pressure filter backwash is sent to two 50,000 gallon lined
26 backwash ponds. The Company owns three storage tanks (1-50,000 gallon, 1 – 100,000 gallon and 1-
27 300,000 gallon) in the Lakeside water system. The filtered water is chlorinated and sent to a 50,000
28 gallon storage tank. This storage tank utilizes a 25 horsepower booster pump to deliver the

1 chlorinated drinking water to a 300,000 gallon and a 100,000 gallon storage tank. The tanks and one
2 Pressure Reducing Valve deliver the drinking water to approximately 800 primarily residential
3 connections.

4 18. Staff determined based upon its field inspection that the mechanical equipment is in
5 good working order and maintained adequately. The exterior of all plant equipment made of steel has
6 not been adequately maintained. The majority of the distribution system piping is made of asbestos
7 cement and the safety of the piping was questioned during the Special Open Meeting.

8 19. Staff Engineer Smaila observed through use of a camera telephoto lens, that the rust
9 was quite extensive on the 50,000 gallon storage tank with the possibility of rust through to the tank
10 interior suspect. If the interior has been compromised, contamination could occur.

11 20. At the Special Open Meeting, much concern was expressed regarding the asbestos
12 cement piping. At the Special Open Meeting, Mr. Smaila indicated that the pipes have been in the
13 ground since 1962 and are probably getting near the end of their useful life. This type of pipe was
14 installed in water systems in North America starting in the 1930s until early in the 1980s. It was an
15 affordable non-corroding alternative to metallic pipes in areas prone to corrosion. Health concerns
16 often led to the installation of new pipe materials including metallic or PVC, although there was no
17 evidence of water-born fiber related illnesses. Asbestos cement piping as of the mid-1990s in North
18 America was as high as 12 to 15 percent of all potable water mains. The Company is subject to
19 mandatory participation in the Monitoring Assistance Program ("MAP"). However, MAP only
20 conducts asbestos sampling at the entry point of the distribution system. MAP last analyzed for
21 asbestos in February of 2013 and the results were nearly non-detect. According to ADEQ the
22 asbestos sampling frequency for Lakeside is only once every 9 years.

23 21. In the Lakeside System, Pressure Reducing Valves are used to reduce the pressure of
24 the water delivered to customers in low lying areas. If it were not used, the water pressure in low lying
25 areas would be well over 100 psi. It is surmised that the Pressure Reducing Valve first failed on
26 August 21, 2016 resulting in the first water line break on Harbor Drive. It is surmised that the break
27 was not recognized as being related to a failure in the Pressure Reducing Valve at that time. After four
28 more breaks, the operator noticed on August 23, 2016, a small diameter copper line, part of the

1 Pressure Reducing Valve, was leaking. This was repaired and then the operator noticed that the
2 Pressure Reducing Valve was not operating properly. Mr. Hardcastle took the extraordinary step of
3 calling EPCOR in to help because of the number of issues presenting.

4 22. The Utilities Division Engineering Section made the following conclusions based upon
5 the site visit and analysis of information obtained regarding the Brooke – Lakeside’s operations:

- 6 a) The Lakeside water system consists of two 10 hp pumps, two pressure sand
7 filters, two 50,000 gallon lined backwash ponds, one chlorinator, three storage
8 tanks, one booster pump, one pressure reducing valve and a distribution
9 system serving approximately 800 primarily residential connections.
- 10 b) The Lakeside water system has adequate source production and storage
11 capacity to serve the present customer base and approximately 1,100 additional
12 customers.
- 13 c) The majority of the distribution system piping is made of asbestos cement.
- 14 d) Dale Allred, operations superintendent, supervises the operation of Lakeside
15 water system and six other water systems and has approximately seven years of
16 experience as a certified operator. Mr. Allred does a good job running the
17 water system and is extremely conscientious, but appears to lack experience
18 and knowledge of Pressure Reducing Valves
- 19 e) All of Brooke Water Systems, PWS No’s 15-006, 15-010, 15-011, 1527, 15-040,
20 15-058 and 07-112, are in compliance with ADEQ requirements and are
21 currently delivering water that meets water quality standards required by
22 Arizona Administrative Code (“A.A.C.”), Title 18, Chapter 4.
- 23 f) The Company is not located within an ADWR Active Management Area and
24 all Brooke Water Systems are currently **not** in compliance with departmental
25 requirements governing water providers and/or community water systems.
- 26 g) According to the ACC Utilities Division compliance data base, the Brooke –
27 Lakeside System has no delinquent Commission compliance items.
- 28 h) The Company does not have a Curtailment Tariff on file.

- 1 i) The Company has an approved Backflow Prevention Tariff on file with an
2 effective date of January 13, 1994 when the water system was owned by
3 Consolidated Water Utilities, LTD.
- 4 j) The 50,000 gallon storage tank has extensive rust and possibly the interior has
5 been compromised.
- 6 k) The exterior surface of all tanks have surface rust and degrading paint.
- 7 l) The water loss cannot be calculated due to the Company not measuring the
8 backwash water utilized.
- 9 m) The 100,000 storage tank was overflowing drinking water contributing to
10 overall water loss.
- 11 n) The Lakeside water system experienced service interruptions from five separate
12 water line breaks over a three day period (August 21, 2016 through August 23,
13 2016.)

14 *Circle City Plant*

15 23. According to its 2015 Annual Report, the Circle City water system consists of one 75
16 gpm groundwater well, four storage tanks (totaling 125,000 gallons), two 10 hp booster pumps, and
17 one 5,000 gallon pressure tank, one chlorinator and a distribution system serving approximately 186
18 customers. The system is located in Maricopa County, is self-sustaining and does not purchase water
19 from another water system. Dale Allred is the certified operator.

20 24. According to the Maricopa Environmental Services Department ("MESD")
21 Compliance Status Report, dated September 7, 2016, MESD reported that Public Water System
22 ("PWS") No. 07-112 is in compliance with MESD requirements and is currently delivering water that
23 meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4.

24 25. The water system is not located within an ADWR Active Management Area. Staff
25 received Water Provider Compliance Status Reports dated September 1, 2016. ADWR reported that
26 the water system is currently not in compliance with departmental requirements governing water
27 providers and/or community water systems. ADWR states that "No Record of Submission for 1st
28 Update of their System Water Plan" has been provided as required.

1 *Customer Service and Outages -- Consumer Service Section's Findings*

2 26. Staff looked at the complaint history of Brooke and Circle City and the number of
3 unplanned outages which occurred in the last year, as well as the Company's handling of the outage in
4 August, 2016.

5 27. Brooke's complaint history from 2005 through 2016 is contained in Attachment B to
6 the Staff Report, at pages 14-15. Complaints filed with the Commission have gone from a high of 40
7 in 2012 to 20 in 2016. Complaints in Circle City have gone from a high of 13 in 2012 to zero in 2016.
8 Of the 20 complaints filed in 2016 for Brooke, the top issues were billing, outages and customer
9 service.

10 28. The Company also provided its call center statistics for January through August of
11 2016. The Company's call center categorizes the calls into one of the following 11 categories: 1)
12 service on request; b) close account (service off); c) statement and payment inquiry/bill copy; d) meter
13 re-read request; e) payment arrangement; f) leak report; g) water service interruption/conservation; h)
14 customer account inquiry; i) credit and payment process; j) disconnections related and k) other.

15 29. With respect to outages, in addition to the service interruptions and outages
16 experienced during the event in August, 2016; Brooke has had 4 other unplanned outages and Circle
17 City has had 1 unplanned outage in 2016. The cause of the other four unplanned outages in Brooke
18 were to repair emergency leaks. Most were 2-3 hours in duration. The number of customers affected
19 was from 15-150.

20 30. With respect to the August incident involving the Lakeside system, notification could
21 have and should have been handled more efficiently. Customers that had provided their email
22 addresses, if updated, received notices and updates. If a customer did not register his email address,
23 he did not receive a notice or update.

24 31. Notifying County Officials, the Arizona Department of Environmental Quality
25 ("ADEQ") and others was clearly overlooked.

26 32. Staff had difficulty reaching Mr. Hardcastle multiple times throughout the outage. The
27 La Paz County Sheriff's office called to see if we could contact Mr. Hardcastle or provide a number.
28 King Clapperton, a La Paz County Supervisor, advised that he was also unable to reach Mr.

1 Hardcastle. The Staff had the same telephone numbers the County Officials were using. Staff agreed
2 to get their messages to him if Staff was able to make contact. Later, Staff learned that at no time was
3 Mr. Hardcastle in the Parker Area during or after the outage.

4 33. Consumer Services began receiving calls Tuesday afternoon. Some customers did not
5 want to be identified and thus the Staff agreed not to include their names in the Commission's
6 database.

7 *Financial Fitness of Brooke and Circle City*

8 34. Brooke has not filed a rate request since the early 1990s. The Commission's Revenue
9 Requirements and Audits Section looked at various financial indicators to gauge the continued
10 financial fitness of the Brooke Water and Circle City Water Companies. The Division also looked at a
11 history of certain financial parameters for all of the Companies managed by Mr. Hardcastle over the
12 years.

13 35. Brooke Water's last request for a rate increase was in 1991, which was prior to Robert
14 Hardcastle's purchase of the Company. The financial analysis shows that in general Brooke has
15 consistently reported strong Net Income levels for all years during the review period (1999-2015).
16 Total revenues have stayed relatively flat during this entire period and total net plant in service has
17 dropped slightly, from \$865,213 recorded at the end of 1999 to \$662,003 recorded at the end of 2015.
18 This indicates that only small additions have been made to plant during this 15 year period.

19 36. Brooke reported Net Income in excess of \$300,000 in 2015 on a remaining rate base
20 of approximately \$662,003. Based upon Staff's very cursory review of this matter, Brooke appears to
21 be over-earning.

22 37. The annual cost-of service utilized to set the Company's rates included a recurring
23 level of annual repairs and maintenance expense of \$267,309; however actual repairs and maintenance
24 expense has been substantially below this level. For instance, in 2015, reported repairs and
25 maintenance expense were \$89,508.00

26 38. The Company is considering filing a rate case sometime within the next 5 years.

27 39. Circle City has not filed a rate case since the 1990s. It has routinely reported
28 substantial Operating Losses during the same approximately 15 year period (e.g. (92,138) in 2015).

1 Total reported revenues were relatively flat during this period of time. The data also suggests that
2 relatively substantial investments were made in plant-in-service in 2008 and perhaps again in 2012.

3 *History of the Company's Management of Other Arizona Water Companies*

4 40. The Utilities Division was asked to also look at the management of companies
5 affiliated with Brooke and Circle City in Arizona and issues arising during their operation under BUI.

6 41. At the Special Open Meeting, Mr. Hardcastle stated that he has been in the water
7 business for 25 years. During that time he stated that he has had 11 different companies, 43 different
8 water systems, and responsibility for 11,000 customers. In reviewing the history of water companies
9 owned by BUI in Arizona, BUI has purchased companies that were in financial distress (Consolidated)
10 and suffered from various problems, predominantly those associated with water shortages. It acquired
11 several, including Brooke and Circle City, in an auction conducted as part of a Chapter 11 bankruptcy
12 proceeding involving Consolidated Utilities.

13 42. Several others, including what later became the reorganized Payson, Tonto Basin,
14 Navajo, Strawberry and Pine companies, were purchased at a time when the companies had
15 outstanding Orders to Show Cause with customers experiencing billing issues, water service issues and
16 water shortages. See Decision No. 58779. Prior to BUI taking over from the previous owner, Rich
17 Williamson, the systems were in a deteriorating state. Following is a short history of the BUI affiliated
18 companies in Arizona.

19 *Pine Water Company and the Strawberry Water Company*

20 43. Pine provides water service to approximately 2,000 customers⁶ in Pine Arizona, an area
21 located 15 miles northwest of Payson in Gila County, Arizona. The Strawberry Water Company
22 provides water service to approximately 1,079 customers in Strawberry, Arizona.⁷ Pine in particular
23 suffered from a myriad of troubles before it was purchased by Mr. Hardcastle and Brooke Utilities in
24 1996. The territory served by Pine was subject to water shortages, where groundwater is the primary
25 source of water. Pine Water's service area was susceptible to shortages in dry years and during the
26 summer months when demand was highest. Various decisions of the Commission, Decision Nos.

27 _____
28 ⁶ See Annual Report for year ending 12/31/08.

⁷ See Annual Report for year ending 12/31/08.

1 56539 (July 12, 1989), 56654 (October 6, 1989), 57047 (August 22, 1990), and 59753 (July 18, 1996),
2 imposed a moratorium, and prohibited additional main extensions with some slight modifications in
3 the later decisions to allow a limited number of new service connections under certain conditions.

4 44. It appears that BUI invested substantial capital (\$1.2 million) in the Pine and
5 Strawberry Water Companies to improve their operational efficiency and to augment their water
6 supply. The most significant improvement was "Project Magnolia," an eight-inch, 10,300 foot long
7 water pipeline connection from the Pine Water system to the Strawberry Water Company. It can
8 transport more than 700,000 gallons of water daily from Strawberry (where groundwater is more
9 plentiful) to Pine or vice versa. New wells were drilled by both Companies and storage capacity was
10 added to both systems. In addition the Company also represented that it recaptured water by
11 repairing leaking infrastructure and more than 700 leaks in the combined System areas. The
12 Companies also replaced non-functioning meters (approximately 400) in the combined service areas.
13 The improvements were such that the application of Pine for modification of the moratoria on new
14 service connections and main extensions was approved subject to certain conditions.

15 45. Pine filed a rate case in 2003 and the Commission approved a settlement agreement
16 with modifications. During this case, the issue of lack of timely responses to customers came up. The
17 process required customers to call a 1-800 number to report leaks. It was reported that it often would
18 take hours, if not days, before a service person was dispatched to repair reported leaks. When the
19 Company's actions were compared to its guidelines, the Commission noted that the policy described
20 in the Company's written guidelines was not being followed consistently. Decision No. 67166 also
21 noted that calls to the call center in California are often dropped or, even if the caller gets through to
22 an operator, responses to reported leaks are not investigated in a prompt manner.

23 46. In Decision No. 67166 the Commission found:

24 We believe that it is incumbent upon a public service corporation to be
25 responsive to customer inquiries of all types, but especially in situations where
26 leaks or outages are reported that have the potential to jeopardize the health
27 and safety of the customers served by the utility. The Commission recognizes
28 that Pine Water has a customer service problem.

1 47. The Commission also noted in that decision that Brooke Utilities local and call center
2 employees have insufficient customer service training. Various remedial measures were ordered,
3 including implementation of improved customer service procedures, personnel training, response
4 times and reporting requirements.

5 48. As discussed earlier, the assets of both Companies were subsequently condemned and
6 acquired by the Pine-Strawberry Water Improvement District. The Final Orders of Condemnation
7 were entered by the Yavapai Superior Court on October 6, 2009. An ad taken out in a local
8 newspaper by customers in support of the condemnation stated that there had been inadequate
9 investment and referred to poor customer relations and poor billing clarity. Mr. Hardcastle responded
10 in a letter expressing his belief that customers were dissatisfied with the curtailments that had
11 occurred.

12 *Payson Water Company, Tonto Basin Water Company and Navajo Water Company*⁸

13 50. Payson Water is located in the Payson area of Gila County and consists of nine
14 independent water systems including Mead's Ranch, East Verde Estates, Flowing Springs, Geronimo,
15 Mesa del Caballo, Star Valley/Quail Valley, Whispering Pines, Star Valley and Deer Creek Systems. In
16 2005, the systems served approximately 4,100 customers. Payson Water was plagued with a history of
17 water shortages as well. BUI acquired United Utilities in 1996. In 1998, the Company filed an
18 application for a Curtailment Order and a moratorium on new connections, line extensions and an
19 emergency interim rate increase. The Company was experiencing numerous issues, most importantly
20 water shortages. On July 6, 1998, the Commission's Utilities Division had received a petition signed
21 by a significant majority of the customers of Mead's Ranch complaining of continual water outages
22 and what was termed "an inadequate water delivery system" and that United's parent corporation,
23 BUI had failed to address the problem after acquiring United in 1996. The Commission noted that, in
24 the capital plan presented by the Company, no allowance was made for either well improvement or
25 the cost of a new well to increase water production. At the time, it was represented that Mead's Ranch
26 had only one 800 foot deep well in use since 1956 which could not meet demand. The Commission's

27 _____
28 ⁸ Orders to Show Cause were pending against the "Williamson Companies" at the time they were acquired by Brooke. They were subsequently dismissed in Decision No. 59855. See discussion under Tonto Basin Water Company.

1 Order stated that the well was producing approximately 77 gallons of water per customer per day
2 which was inadequate to serve the ten to twenty customers who were full time residents at the time.
3 Additionally, it was brought out that Mead's Ranch was unmetered. In 2004, Brooke filed a
4 curtailment plan tariff which was approved by the Commission in Decision No. 67821. It was noted
5 that Mead's Ranch has not yet received the attention it needed; but that BUI had taken steps to
6 improve the multiple Arizona Utilities it owned and BUI had invested substantial sums since acquiring
7 them.

8 51. Payson filed an application for the emergency implementation of a water augmentation
9 surcharge or emergency rate tariff due to water shortages on its Mesa Del Caballo System in 2010.
10 The Company claimed that it could no longer augment the water supply for this system and in 2009 it
11 states that it absorbed \$59,137 in water hauling costs for this system. The emergency water
12 augmentation surcharge tariff was approved on September 28, 2010, in Decision No. 71902. Water
13 shortages, turn-offs and augmentation charges in its various systems also spawned a host of formal
14 complaints. Payson was one of the Companies sold to J.W. Holdings in 2013 pursuant to a Stock
15 Purchase Agreement.

16 52. Navajo provided water service in the vicinity of Show Low, Navajo County, Arizona.
17 Navajo had three separate systems: 1) Chaparral Pines System, 2) the Laguna Estates System, and 3)
18 the Summer Pines System. Navajo was acquired by BUI in a stock purchase wherein Brooke acquired
19 the outstanding stock of Richard S. Williamson in United Utilities. Navajo filed for a permanent rate
20 increase in February 24 1999, which was granted in Decision No. 62631 dated March 6, 2000. E-
21 Docket shows applications for a curtailment tariff, water augmentation tariff and cross-connect tariffs;
22 suggesting that water shortages were also an issue. A scan of eDocket reveals nothing remarkable
23 with respect to BUI's management, prior to its sale to J.W. Holdings in 2013.

24 53. Finally, Tonto Basin, was also acquired from Richard Williamson in 1996. It had an
25 active Order to Show Cause (OSC) pending before it was acquired by BUI in 1996. The Complaint
26 alleged that the prior owner had: 1) failed to pay APS electric bills violating A.R.S. Section 40-361(B);
27 2) failed to file main extension agreements with the Commission for approval, violating A.A.C. R14-2-
28 406(M); 3) failed to make appropriate refunds of advances paid under main extension agreements,

1 violating R14-2-406(D) and (M); 4) failed to accrue interest to customers deposits, violating A.A.C.
2 R14-2-403(B)(3); 5) failed to credit deposit interest to customer bills annually, violating A.A.C. R14-2-
3 403(B)(4); failed to refund customer deposits after the customers established a twelve month "good
4 payment" history, violating A.A.C. R14-2-403(B)(5); 6) failed to obtain Commission approval for the
5 transfer of the Portal IV well, violating A.R.S. Section 40-285; 7) failed to provide adequate, efficient
6 and reasonable service by not following proper customer deposit procedures, violating A.R.S. Section
7 40-361(B); and 8) failed to provide adequate, efficient and reasonable service by transferring a well
8 asset violating A.R.S. Section 40-361(B). The Commission dismissed the Complaint after BUI
9 provided documentation demonstrating that all issues had been resolved.

10 54. Thereafter, a scan of e-Docket indicates that this Company's history under BUI
11 appears to be largely unremarkable. There were applications filed for curtailment tariffs, water
12 augmentation fees and other similar items suggesting that water shortages may have been an issue for
13 the System. Tonto Basin was one of those sold to J.W. Holdings in 2013 pursuant to a Stock
14 Purchase Agreement.

15 **STAFF ANALYSIS**

16 55. Neither Brooke nor Circle City suffer from frequent water shortages which have
17 plagued several of the other companies managed by Mr. Hardcastle in Arizona. However, like other
18 systems he has managed, the plant in service is older and some of the plant is nearing the end of its
19 useful life.

20 56. From an operational perspective, Staff Engineer Smaila reported that the mechanical
21 plant for Brooke is in good operating condition. He also reported that the System Manager/Operator
22 was proficient in his duties; although he lacked sufficient training in Pressure Reducing Valve
23 operation and repair.

24 57. Financially, despite the fact that he has not been in for a rate case in many years,
25 Brooke shows strong financial performance. However, some expense levels approved in the last rate
26 case are considerably out of date suggesting a need for a rate review. Circle City has been operating at
27 a loss for this same time period suggesting that the company should come in for a rate adjustment.

28

1 58. The Brooke and Circle City Companies' unplanned outage reports to the Commission
2 do not suggest anything out of the ordinary. However, the August 2016 outage was more serious and
3 probably the most serious outage in Brooke's history under Mr. Hardcastle's management. That
4 outage underscores the need for substantial improvement in several areas including plant maintenance
5 and repair, emergency reporting and customer responsiveness.

6 59. At the Special Open Meeting, concerns were raised about billing, lack of
7 communication and rudeness at the Company's Customer Service Center.

8 60. Staff's analysis reveals that the source of these issues is multifaceted. Brooke faces a
9 greater than normal risk of communication challenges during an outage because the manager member,
10 Mr. Hardcastle, resides/works in California, the existing call center has been in Costa Rica since 2007,
11 and the local operator is based in Parker. The Company primarily relies upon e-mail communications
12 between the manager, the call center located in Costa Rica, and local operations. If any of these are
13 not on e-mail for a period of time, communications will not be timely read and acted upon. This is
14 exacerbated by Mr. Hardcastle's reluctance to provide a cell phone contact, either his personal or
15 second cell phone.

16 61. Mr. Hardcastle is rarely in Arizona either to visit the companies he manages or to meet
17 with County Officials and customers. During the 3 day outage, he was trying to manage the outage
18 from a remote location in California, while on a planned vacation which began prior to the outage.

19 62. During the outage, Mr. Hardcastle did not reach out to County and emergency
20 personnel. One County Official stated that the outage took place Sunday evening and he did not hear
21 of it until Tuesday afternoon from a constituent. Not all customers were notified of the outage and
22 given regular updates. Emergency management stated at the Special Open Meeting that they cannot
23 do their part without everyone being informed. Another County official at the Special Open Meeting
24 indicated that the problem with poor communications has been ongoing since Brooke took over the
25 system.

26 63. This communications breakdown also manifested itself in the Emergency Operations
27 Plan ("EOP") which the Company has put in place pursuant to ADEQ requirements. Mr. Hardcastle
28 revised the Brookes' EOP on August 29th to address deficiencies in the prior EOP. The revised EOP

1 is attached as Exhibit A. While the Plan calls for communications with and by the Company's
2 President under certain levels of conditions, Mr. Hardcastle was not available at either the e-mail or
3 phone numbers listed in the EOP.

4 64. The Company either failed to do immediate follow-up testing of the water to ensure it
5 was safe or simply failed to inform the Commission and others that it had been done; so people were
6 left wondering if the water was safe to drink. In the absence of any communication from the
7 Company on the safety of the water, the Commission asked ADEQ to go out and test the water. The
8 Company also failed to arrange for bottled water and non-potable water hauling and instead the
9 County provided it.

10 65. An informal Complaint was also recently filed in July, 2016 with the Commission's
11 Consumer Services Division, regarding a dispute about an easement. Brooke claims an easement for a
12 high pressure water main which apparently runs across an individual's property. However, the
13 easement was apparently not recorded. Brooke Lakeside's predecessor water company owners
14 apparently installed a high pressure water main down the middle of the two parcels following the
15 property line, according to Mr. Hardcastle. The two adjoining property parcels affected were at one
16 time owned by different parties. The Complainant bought the interest of the other parcel and now
17 wants to build a structure across both parcels but the high pressure water main would be below the
18 proposed structure. Mr. Hardcastle and the customer have apparently discussed several options
19 including relocation of the main to the north side of the two parcels. The parties have not reached
20 any agreement yet on what can be done. While such property disputes are normally under the
21 jurisdiction of the Superior Court, as an initial step, Staff believes that the Company should map the
22 existing location of the underground high pressure water main on the affected parcel.

23 **STAFF RECOMMENDATIONS**

24 66. Staff believes the following recommendations will assist the Companies in resolving
25 issues and remedying existing operational consumer service concerns. Staff has spoken to Mr.
26 Hardcastle, the managing member of the Companies, about these recommendations.

27 *System, Operational and Engineering Recommendations*

28 67. The Company should be required to (for Brooke unless otherwise indicated):

- 1 a) Contact ADWR to discuss a path to becoming immediately compliant with
2 departmental requirements governing water providers and/or community
3 water systems. (This applies to both Brooke and Circle City).
- 4 b) File an application for a Curtailment Tariff with the Commission.
- 5 c) Refile the Backflow Prevention Tariff utilizing the revised Cross
6 Connection/Backflow Tariff form.
- 7 d) Repair the rusted areas of the 50,000 gallon storage tank and inspect the tank
8 interior.
- 9 e) Recoat the interior of the 50,000 gallon storage tank with National Sanitation
10 Foundation approved coating if the tank interior has been compromised.
- 11 f) Adjust or repair the altitude valve controlling flow to the 100,000 gallon
12 storage tank to stop the water loss through the tank overflow piping.
- 13 g) Hire a trained technician to perform whatever is required to eliminate water
14 loss at this location, if the operator is unable to adjust or repair the valve.
- 15 h) Provide means to train the operators in PRV diagnostics and repair.
- 16 i) Recondition the exterior surface of all tanks and develop a schedule for tank
17 maintenance.
- 18 j) Sample the drinking water at several locations in the distribution system to
19 assess the safety of continued utilization of the current asbestos-cement piping
- 20 k) Install a meter on the backwash piping as soon as practical so that the water
21 loss may be determined.

22 *Consumer Service Recommendations*

- 23 68. The Company should be required to (for both Brooke and Circle City)
- 24 a) Utilize the new Outage Reporting Form on the Utilities Division website for
25 future outages.
- 26 b) Immediately notify not only the Commission, but the County Sheriff's Office,
27 the County Office of Emergency Management, the County Board of
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Supervisors, (Other County Officials?), the Arizona Department of Environmental Quality, when an outage occurs as per the revised EOP.

- c) Include an Outage Message to all who call the Call Center of the outage and ensure it is updated as needed.
- d) Conduct an outreach effort to obtain email addresses for a more timely notification to as many customers as possible.
- e) Immediately schedule a customer service training program for Service Center employees with a set of metrics commonly used to assess service center performance. The Company shall chose among the metric in Exhibit B and provide Staff with targets, implementation dates and reporting requirements.
- f) Develop a Company website where customers can obtain information.
- g) Conduct an extensive outreach effort at least twice a year with City and County Officials and customers to discuss communication, service quality and ideas for improvement.
- h) Obtain a second cell phone (for Mr. Hardcastle) for business use and provide that phone number to officials mentioned in the Emergency Operations Plan (and any other designated individuals). The phone should have the ability to monitor emails and have other applications that might improve communication at critical times.
- i) During an outage of a magnitude similar to the August outage, Mr. Hardcastle shall commit to be present on-site or to have an individual who is authorized to make decisions in his absence.
- j) Periodically update its Emergency Operations Plan approved by ADEQ on August 29, 2016 to include such things as a phone number and e-mail address for the Companies at which Mr. Hardcastle can be reached.
- k) Make good faith efforts to resolve the easement dispute which is currently pending as an informal complaint; and map the Company facilities in the affected parcel.

1 *Recommendations Regarding Financial Fitness*

- 2 69. The Company should be required to (for both Brooke and Circle City):
- 3 a) File a System Improvement and Budget Plan with the Staff for review and
- 4 input.
- 5 b) File a rate case by June 30, 2017 for Brooke with a test year ended December
- 6 31, 2016. Compliance with items addressed in this Order shall be assessed in
- 7 the rate case. In the rate case allowances for post-test year plant, surcharges
- 8 based on ongoing plant investment, pro forma expense adjustments and other
- 9 mechanisms may be used to reflect investments and costs associated with
- 10 compliance with this Order if necessary. The requirement that Circle City file a
- 11 rate case by December 31, 2016, with a 2015 test year established in Decision
- 12 No. 75597 remains in effect.

13 *Recommendations Regarding a Plan of Improvement*

14 70. The Company, within two weeks after the issuance of this Order, shall file in these

15 dockets a response to the Staff Report

16 71. The Company, by October 24, 2016, shall file in these dockets a Plan of Improvement

17 that includes cost estimates and schedules for completion. Within the Brooke Water LLC docket, the

18 Plan of Improvement shall include but is not limited to the following:

- 19 a) Hiring additional maintenance staff at Brooke Water LLC;
- 20 b) Hiring an in-house call center or establishing a call center located closer to
- 21 Brooke Water LLC's service territory;
- 22 c) Performing a full survey of Brooke Water LLC's lines and making the
- 23 necessary filings with the La Paz County Recorder and the Corporation
- 24 Commission;
- 25 d) Selecting a new billing system or making changes to current practices in order
- 26 to address continuous customer concerns;
- 27 e) Beginning a plant improvement project that includes replacement or
- 28 refurbishment of pipes, tanks, valves, etc.; and

1 f) Working with ADEQ to address excessive chlorine and other water quality
2 issues.

3 *Directive Regarding an Order to Show Cause*

4 72. The Commission directs Staff to initiate an Order to Show Cause proceeding for the
5 purpose of installing an Interim Manager/Interim Operator as soon as possible. Further, Staff shall
6 gather evidence and/or take testimony by holding a public forum in Parker, Arizona.

7

8

CONCLUSIONS OF LAW

9 1. Brooke Water LLC and Circle City Water Company, LLC are public service
10 corporations within the meaning of Article XV of the Arizona Constitution.

11 2. The Commission has jurisdiction over Brooke Water, LLC and Circle City Water
12 Company, LLC and the subject matter of this filing.

13 3. The Commission, having reviewed the Staff's Memorandum dated September 20,
14 2016, concludes that Staff's recommendations are in the public interest and should be adopted.

15

ORDER

16 IT IS THEREFORE ORDERED that Brooke Water LLC, Lakeside Division, shall comply
17 with the Operational and Engineering recommendations contained in Finding of Fact 67.

18 IT IS FURTHER ORDERED that Brooke Water LLC and Circle City Water Company, LLC
19 shall comply with the Consumer Service recommendations contained in Finding of Fact 68.

20 IT IS FURTHER ORDERED that Brooke Water LLC and Circle City Water Company, LLC
21 shall comply with the Financial Fitness recommendations contained in Finding of Fact 69.

22 IT IS FURTHER ORDERED that Brooke Water, LLC shall comply with Finding of Fact 71
23 by October 24, 2016

24 IT IS FURTHER ORDERED that the Companies shall, within two weeks after the issuance
25 of this Order, file in these dockets, a response to the Staff Report.

26 ...

27 ...

28 ...

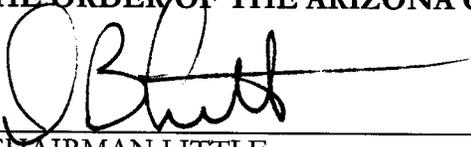
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IT IS FURTHER ORDERED that Brooke Water, LLC and Circle City Water Company, LLC shall provide monthly updates on its progress in meeting the Staff recommendations contained in Findings of Fact 66, 67 and 68.

IT IS FURTHER ORDERED that Staff shall initiate an Order to Show Cause proceeding for the purpose of installing an Interim Manager/Interim Operator as soon as possible. Further, Staff shall gather evidence and/or take testimony by holding a public forum in Parker, Arizona.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION



CHAIRMAN LITTLE

EXCUSED
COMM. STUMP

COMMISSIONER STUMP



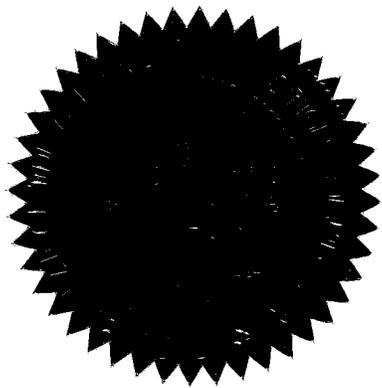
COMMISSIONER FORESE



COMMISSIONER TOBIN



COMMISSIONER BURNS



IN WITNESS WHEREOF, I, JODI A. JERICH, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 4th day of October, 2016.



JODI A. JERICH
EXECUTIVE DIRECTOR

DISSENT: _____

DISSENT: _____

TMB:nr/MAS

1 SERVICE LIST FOR: Brooke Water Company, LLC and Circle City Water Company, LLC
2 DOCKET NOS. T-03039A-16-0322 AND T-03510A-16-0322

3 Mr. Robert Hardcastle
4 Brooke Water Company, LLC
5 Circle City Water Company, LLC
6 Post Office Box 82218
7 Bakersfield, California 93380

8 Mr. Thomas M. Broderick
9 Director, Utilities Division
10 Arizona Corporation Commission
11 1200 West Washington Street
12 Phoenix, Arizona 85007

13 Ms. Janice M. Alward
14 Chief Counsel, Legal Division
15 Arizona Corporation Commission
16 1200 West Washington Street
17 Phoenix, Arizona 85007

18 Mr. Dwight Nodes
19 Chief Administrative Law Judge, Hearing Division
20 Arizona Corporation Commission
21 1200 West Washington Street
22 Phoenix, AZ 85007

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EXHIBIT A

EMERGENCY OPERATION PLAN

(EOP)

BROOKE WATER LLC

La Paz County, Parker, AZ

<u>Public Water System #</u>	<u>Water System Name</u>	<u>Community Water System #</u>	<u># Connections</u>
15-015	Lakeside (LKS)	91-000742.0000	798
15-027	Parker (PD)	91-000748.0000	196
15-058	Holiday Harbor (HH)	91-000752.0000	226
15-006	Moovalya (MK)	91-000749.0000	558
15-040	San Lindo (RL)	91-000751.0000	31
15-011	Marina Village (V)	91-000750.0000	224

In accordance with Arizona Administrative Codes R18-4-116

Revised: August 29, 2016

*This document contains certain information and material that is confidential, privileged and is intended for authorized water company personnel, authorized water company representatives, authorized regulatory agency personnel and emergency response personnel only. **THIS INFORMATION IS NOT TO BE SHARED WITH UNAUTHORIZED PERSONS AT ANY TIME.** Please secure your copy appropriately at all times. If you misplace or lose your copy, please notify your supervisor immediately. Please destroy all previous versions or revisions of this document as referenced below.*

If you have found this document you may not read, copy, distribute or use this information. Please immediately notify Brooke Water LLC at (661) 633-7526.

Original Date: January 20, 1994
1st Revision: November 11, 2003
2nd Revision: May 5, 2009
3rd Revision: August 29, 2016

Table of Contents

W-03039A-16-0322
W-03510A-16-0322

Page 1	BOP Water System Identification
Page 3	Purpose and Authority
Pages 4-5	Emergency Contacts
Page 6	Disaster Checklist
Page 7	Emergency Contact Notifications (ECN)
Pages 8-11	Water System Data
Page 12	Notification Procedures
Page 13	
Page 14	Loss of Source
	Loss of Supply Due to Major Component Failure
Page 15	Loss of Power or Power Supply Equipment
	Contamination of Water Supply, Backflow
Page 16	Contamination of Water Supply, Chemical or Microbiological
	Collapses of Reservoirs
	Breaks in Main or Service Lines
Page 17	Alternative Water Sources
	Disinfecting and Testing After Repairs
Page 18	Critical System Components That Shall Remain in Service or be Restored as Quickly as Possible
Page 19	Critical Component Inventory
	Staff Training in Emergency Operation Procedures

Purpose and Authority

The purpose of this Emergency Operations Plan ("EOP") is to establish and to maintain as current the procedures necessary to utilize alternative water supply sources in the event of a contamination or loss of existing source. It is also the purpose of this EOP to identify and maintain current emergency contact information of local County, State, Regional, and Federal Agencies, as applicable, that are to be advised of significant water service interruptions ("WSI") in accordance with the Emergency Operations Levels ("EOL") established by Brooke Water LLC below:

<u>Emergency Level</u>	<u>Emergency Description</u>	<u>Contact Required</u>
1	Routine non-emergency water service interruption of two hours or less in duration; usually effects less than ten customers; repair, replacement of operational components; flushing, chlorination may be required.	ACC, La Paz County, Customers
2	Non-routine emergency water service interruption of not more than four hours in duration; usually effects more than ten customers; repair, replacement, modification of components as required; flushing, chlorination, water quality testing may be required.	ACC, ADEQ, La Paz County, Customers
3	Severe emergency water service interruption of more than four hours or unknown duration; any type operational components modification may be required; disinfection exposure, flushing, chlorination, water quality testing are required.	ACC, ADEQ, La Paz County, Customers

This plan was produced as part of the requirement under Arizona Administrative Codes Title 18, Chapter 11 Article 116 under the Authority of the Arizona Department of Environmental Quality, Drinking Water Program. This EOP must be updated any time significant changes are made to the system or the Company's Operational Staffing.

EMERGENCY CONTACTS

W-03039A-16-0322

W-03510A-16-0322

Depending on the BOL involved with the WSI various emergency parties require, desire, or prefer to be notified and advised. The Company primarily utilizes two methods of emergency contact of customers and the Emergency Contacts below: first by electronic mail, and second by direct telephone contact.

Table 1 – La Paz County

<u>La Paz County</u>	<u>Contact Name</u>	<u>Email Address</u>	<u>Telephone Number</u>
District 1 Supervisor	DL Wilson	DWilson@co.la-paz.az.us	(928) 669-6115
District 2 Supervisor	King Clapperton	KClapperton@co.la-paz.az.us	(928) 669-6115
District 3 Supervisor	Holly Irwin	Hirwin@co.la-paz.az.us	(928) 669-6115
County Administrator	Dan Field	DField@co.la-paz.az.us	(928) 669-6115
Emergency Services	Steve Biro	SBiro@co.la-paz.az.us	(928) 667-4310
Community Development	Nora Yackley	NYackley@co.la-paz.az.us	(928) 669-6138
Community Development	Karl Kowalski	KKowalski@co.la-paz.az.us	(928) 669-6138
Health Department	Marian Schultz	MSchultz@co.la-paz.az.us	(928) 669-1100
Health Department	Mimi Hernandez	MHernandez@lapazsheriff.org	(928) 916-9631
Public Works	Tom Simmons	TSimmons@co.la-paz.az.us	(928) 669-2016
Sheriff's Department	Administration	ASheriff@lapazsheriff.org or BPoindexter@lapazsheriff.org	(928) 669-6141 or (928) 669-2281 (dispatch)

Table 2 – ADEQ

<u>ADEQ Staff</u>	<u>Position</u>	<u>Email Address</u>	<u>Telephone Numbers</u>
Daniel Czecholinski	Manager Drinking Water	DCS@azdeq.gov	(602) 771-4617
Jennifer Peterson	Inspection Compliance	JC17@azdeq.gov	(602) 771-4253
Dave Dunaway	Monitoring and Protection	Dwd@azdeq.gov	(602) 771-6403
Steve Vogel	Inspector	SV1@azdeq.gov	(602) 694-1099
Jon Fiegen	Inspector	Fiegen_Jon@azdeq.gov	(602) 771-4634

John Calkins	Department Manager	Calkins.john@azdeq.gov	
Mario A. Casillas	Inspector	Casillas.mario@azdeq.gov	(602) 771-4359
Karen L. Black	Water Monitoring	Black.Karen@azdeq.gov	(602) 771-4559

Table 3 - Brooke Water LLC

Customer Service Center	CSR's	customerservicecenter@brookeutilities.com	(800) 270-6084
Operations Superintendent	Parker, AZ	DaleA@brookeutilities.com	(928) 970-0437
Operations Staff	Ops	RRomine@brookeutilities.com	(928) 970-0439
Operations Staff	Ops	CBrinke@brookeutilities.com	(661) 973-4453
Operations Staff	Ops	(hiring candidate in process)	
Corporate Office	Management Member	RTH@brookeutilities.com	(661) 633-7526

Table 4 - ACC

Arizona Construction Commission	oulin@acc.gov	(602) 542-2237
----------------------------------------	----------------------	-----------------------

DRAFT

Checklist of Actions to Be Completed
Immediately Following a Disaster

W-03039A-16-0322
W-03510A-16-0322

Note: This checklist is not intended to replace the BOP and its procedures. This checklist should be used as a supplemental guide only.

1. Make preliminary damage/contamination/threat assessment as quickly as possible.
2. Notify division management
3. Assemble and assign crisis personnel
4. Establish a communications center and contact Emergency Contacts in accordance with EOL established above.
5. Isolate affected areas to effect the least number of customers practicable after Emergency Contacts have been made.
6. Preserve potable water storage and plant facilities
7. Identify areas and number of customers that will need temporary alternative supply
8. Set recovery priorities, flushing, chlorination, and testing treatment repairs
9. Contact health and regulatory officials to address specific circumstances as needed
10. Contact hospital, police, and fire to address specific circumstances as needed.
11. Contact Emergency Contacts to advise of the resolution or passing of the emergency condition.

Emergency Contact Notifications (ECN)

In reporting a WSI the Company normally first communicates with its customers and Emergency Contacts by electronic mail and subsequently by direct telephone where desired, needed and/or appropriate. It is the Company's policy to make emergency notifications as quickly as possible after emergency event facts are reported, discovered, or understood¹. All ECN's information shall provide at least the following information concerning the WSI:

- (1) Date
- (2) Time (expressed in military time)
- (3) Water system affected
- (4) Estimate of number of customers believed to be affected
- (5) Location of the reason for the WSI
- (6) Expected duration (or updated expected duration)

The form of ECN shall generally have the following sample format:

CUSTOMER SERVICE ADVISORY

Date: November XX, 20XX
Time: 1330 hours
Re: XX Water System

A water service interruption has occurred in the XX water system and is believed to affect more than 20 customers. The broken water main is located at the intersection of Maple St. and Evergreen Ave. in Parker, AZ. The Company expects to return service to normal operational levels in less than 4 hours. This notification will be updated or relieved as required by the circumstances.

We apologize for this service interruption and inconvenience. We appreciate the patience and concern of all our customers.

Brooke Water LLC

Customers and Emergency Contacts are strongly encouraged to submit current personal email addresses for this use. Please contact the Company's Customer Service Center at (800) 270-6084 to make such request or provide additional current information.

¹ It should be noted that not all notification parties or agencies want to be notified at the same level of emergency.

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LAKESIDE (LKS) WATER SYSTEM DESCRIPTION

W-03039A-16-0322

W-03510A-16-0322

Name of Water System:	LAKESIDE (LKS)
Public Water System #:	15-010
Community Water System #:	91-000742.0000
Number Service Connections:	798
Persons Served:	1995 (approximately)
Number of wells:	None
Colorado River Intakes:	One located on Riverside Dr.
Average Daily Consumption:	85,176
Average Daily Peak Production:	116,090
Storage Tanks:	3
Storage Capacity (total):	450,000
ADWR #:	C1504100
Water Treatment:	Yes
Water Treatment Method:	Gravel, sand, anthracite, polymer
Water Treatment Restocked:	March 2016
Water Treatment Filtering:	Backwash into settling ponds
Fire Hydrants:	None
Booster Pumps:	Yes, one
Consumption Meter Type:	Sensus Model II, other
Electrical Utility:	Arizona Public Service
Distribution Materials:	AC, PVC, C900, HDPE
Backup Power Generation:	Yes, 100 kW portable generator
Pressure Reducing Valves:	Yes, one
Altitude Valves:	Yes, one
Remote Tank Monitoring:	Yes, one
Turbidity meters:	Yes, model 1020E
Current SDWA Violations:	No

PARKER DAM (PD) WATER SYSTEM DESCRIPTION

Name of Water System:	PARKER DAM (PD)
Public Water System #:	15-027
Community Water System #:	91-000748.0000
Number Service Connections:	195
Persons Served:	488 (approximately)
Number of wells:	None
Colorado River Intakes:	One located on Riverside Dr.
Average Daily Consumption:	33,083
Average Daily Peak Production:	47,670
Storage Tanks:	3
Storage Capacity (total):	47,000
ADWR #:	C150270
Water Treatment:	Yes

Water Treatment Method:	Gravel, sand, anthracite, polymer
Water Treatment Restocked:	March 2016
Water Treatment Filtering:	Backwash into settlement ponds
Fire Hydrants:	None
Booster Pumps:	Yes, two
Consumption Meter Type:	Sensus Model II
Electrical Utility:	Arizona Public Service
Distribution Materials:	ACP, PVC, C900, DIP
Backup Power Generation:	Yes; 75 kW portable trailer
Pressure Reducing Valves:	No
Altitude Valves:	No
Remote Tank Monitoring:	Yes, one
Turbidity meters:	Yes, model 1720E
Current ADEQ Violations:	No

HOLIDAY HARBOUR (HH) WATER SYSTEM DESCRIPTION

Name of Water System:	HOLIDAY HARBOUR (HH)
Public Water System #:	15-058
Community Water System #:	11-000752.0000
Number Service Connections:	6
Persons Served:	500 (approximately)
Number of wells:	None
Colorado River Intakes:	One located on State Road Dr.
Average Daily Consumption:	48,089
Average Daily Peak Production:	77,198
Storage Tanks:	2
Storage Capacity (total):	130,000
ADWD:	C130580
Water Treatment:	Yes
Water Treatment Method:	Gravel, sand, anthracite, polymer
Water Treatment Restocked:	March 2016
Water Treatment Filtering:	Backwash into settlement ponds
Fire Hydrants:	None
Booster Pumps:	Yes, two
Consumption Meter Type:	Sensus Model II
Electrical Utility:	Arizona Public Service
Distribution Materials:	ACP, PVC, C900, DIP
Backup Power Generation:	Yes; 75 kW portable trailer
Pressure Reducing Valves:	Yes, two
Altitude Valves:	No
Remote Tank Monitoring:	Yes, one
Turbidity meters:	Yes, model 1720E
Current ADEQ Violations:	No

MOOVALYA KEYS (MK) WATER SYSTEM DESCRIPTION

Name of Water System: MOOVALYA KEYS (MK)
Public Water System #: 15-006
Community Water System #: 91-000741.0000
Number Service Connections: 558
Persons Served: 1395 (approximately)
Number of wells: None
Colorado River Intakes: One located on Riverside Dr.
Average Daily Consumption: 69,049
Average Daily Peak Production: 90,290
Storage Tanks: 3
Storage Capacity (total): 145,000
ADWR #: C150060
Water Treatment: Yes
Water Treatment Method: Gravel, sand, anthracite, polymer
Water Treatment Restocked: March 2016
Water Treatment Filtering: Backwash into settlement ponds
Fire Hydrants: None
Booster Pumps: Yes, six
Consumption Meter Type: Sensus Model II
Electrical Utility: Arizona Public Service
Distribution Materials: CPVC, PE C900
Backup Power Generation: Yes, 75 kW portable trailer
Pressure Reducing Valves: No
Altitude Valves: No
Remote Tank Monitoring: Yes, one
Turbidity meters: Yes, model 220E
Current ADEQ Violations: No

RIO LINDE (RL) WATER SYSTEM DESCRIPTION

Name of Water System: RIO LINDE (RL)
Public Water System #: 15-040
Community Water System #: 91-000751.0000
Number Service Connections: 31
Persons Served: 78 (approximately)
Number of wells: None
Colorado River Intakes: One located on Riverside Dr.
Average Daily Consumption: 6,945
Average Daily Peak Production: 14,470
Storage Tanks: 1
Storage Capacity (total): 10,000
ADWR #: C150400
Water Treatment: Yes
Water Treatment Method: Gravel, sand, anthracite, polymer
Water Treatment Restocked: March 2016
Water Treatment Filtering: Backwash into Buckskin Sanitation District

Fire Hydrants:	None
Booster Pumps:	Yes, two
Consumption Meter Type:	Sensus Model II
Electrical Utility:	Arizona Public Service
Distribution Materials:	ACP, C900
Backup Power Generation:	Yes; 75 kW portable trailer
Pressure Reducing Valves:	No
Altitude Valves:	No
Remote Tank Monitoring:	Yes, one
Turbidity meters:	Yes, model 1720E
Current ADEQ Violations:	No

MARINA VILLAGE (MV) WATER SYSTEM DESCRIPTION

Name of Water System:	MARINA VILLAGE (MV)
Public Water System #:	15-011
Community Water System #:	91-000743.0000
Number Service Connections:	224
Persons Served:	200 (approximately)
Number of wells:	None
Colorado River Intakes:	One located on Riverside Dr.
Average Daily Consumption:	37,314
Average Daily Peak Production:	52,800
Storage Tanks:	1
Storage Capacity (gall):	100,000
ADWR #:	C150110
Water Treatment:	Yes
Water Treatment Method:	Gravel, sand, anthracite, polymer
Water Treatment Restocked:	March 2016
Water Treatment Bypassing:	Backwash into settlement ponds
Fire Hydrants:	None
Booster Pumps:	Yes, two
Consumption Meter Type:	Sensus Model II
Electrical Utility:	Arizona Public Service
Distribution Materials:	ACP, PVC, C900
Backup Power Generation:	Yes; 75 kW portable trailer
Pressure Reducing Valves:	No
Altitude Valves:	No
Remote Tank Monitoring:	Yes, one
Turbidity meters:	Yes; model 1720E
Current ADEQ Violations:	No

Notification Procedures

(A.A.C. R17-4-116.B.2)

In the event of an emergency the follow procedures should be instituted by all Company staff and all other authorized representatives.

- (1) The Company's On-Call Operations ("Ops") personnel shall endeavor to respond to an emergency condition as quickly as possible while at all times conducting themselves in a safe and professional manner.
- (2) Ops shall assess the nature of the water system emergency quickly verifying that the general nature of the emergency is directly related to the water system.
- (3) Ops shall advise the Operations Superintendent as soon as possible as to the nature of the emergency including the location of the emergency event, general reason believed for the event, resources thought to be required including excavation equipment, vehicles, tools, special equipment, specialty contractors, safety equipment, personnel, water pumps, control valves needed to be operated (if applicable), "best guesstimate" number of customers affected, and "best guesstimate" of the duration of an expected WSP.
- (4) Depending on the seriousness and nature of the WSP the Operations Superintendent shall determine if the President of the Company shall be notified. Accordingly, the President shall be notified of all Level 2 and Level 3 emergencies.
- (5) Stop water contamination.
- (6) Stop or reduce water loss bearing in mind the number of customers affected.
- (7) Depending on need Ops should request emergency underground alert by contacting Bluestalk at (602) 263-1800.
- (8) Contact the Customer Service Center (CSC) or other staff to provide emergency contact notification as otherwise prescribed in the SOP. Provide updates every hour or as otherwise directed. Use all applicable communication devices including cell phones, text messages, and FaceTime for communications. Use electronic mail distribution list for initial contact of customers and notification parties. Provide subsequent telephone contact as required.
- (9) Maintain communication with corporate office representatives, as necessary, public relations, emergency contacts, and others in the affected service area.
- (10) Contact the Arizona Corporation Commission (602-542-2237) and the Arizona Department of Environmental Quality (hotline number: 800-234-5677) to advise of all water contamination occurrences or threats, terrorist incidents or threats and any interruptions or outages of a duration longer than four (4) hours. Notification via telephone and email may be used initially but all notifications must include an email and/or fax notification confirmation. **NOTE: NOT ALL REGULATORY AUTHORITIES OR GOVERNMENT AGENCIES DESIRE TO BE CONTACTED AT THE SAME LEVELS OF EMERGENCY.**
- (11) As circumstances require, or at the specific direction of the Company's President, local media will be contacted with a public information request.
- (12) If required or at the specific direction of the President, customer notices would be posted in reasonable conspicuous public locations, on existing water company property, broadcast on local radio and/or printed in a general circulation media. Customers, local,

state, regional, and federal agencies will be advised by use of electronic mail distribution lists. 89A-16-0322

W-03510A-16-0322

- (13) Ops shall, where circumstances require, always flush, chlorinate, and take water test samples of WSP's involving broken pipes and water contamination. Results of water samples shall be submitted to the Company's President as soon as they are received.

The Brooke Water LLC Parker office located on Riverside Dr. shall serve as the primary location for control and assembly of personnel, equipment, and material. Material at this location would be utilized and transported to the location of the emergency. Equipment needed to accomplish the anticipated repairs would be mobilized and also taken to the site.

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Customer Service Center ("CSC")

W-03039A-16-0322

W-03510A-16-0322

The Customer Service Center is staffed by up to five Customer Service Representatives ("CSR's") during regular business hours of 0800 hours to 1600 hours daily (Arizona Mountain Time). The CSC can be reached at (800) 270-6084 at all times.

The CSC Team Manager supervises other CSR's while taking customer calls, processing credit card payments, dispatching Service Orders ("SO's") to the Operations Department, arranges new service connections, manages the Customer Information System ("CIS"), provides informational and documentation support for processing customer complaints. The CSC maintains records of all inbound and outbound customer calls, keeps updated customer information records, produces customer bills, and is responsible for making adjustments to customer accounts where applicable. The CSC determines late paying customers and issues disconnection lists to the Operations Department for processing. When call volume exceeds the ability of all CSR's to answer and process inbound calls an automated system is utilized that allows inbound callers to leave a message with brief details of the nature of their call. It is the policy of the CSC to make every reasonable effort to return message-left calls the same business day. As a matter of record, the Company maintains detailed monthly service records of the calls processed by the CSC.

Customer calls that are received by the CSC after business hours are routed to an automated call processing center that processes emergency calls. All non-emergency related calls are referred to the CSC for processing the next business day. If a call is an after-hours emergency the call ("AHEC") is routed to an automated telephone answering tree that interacts with the caller asking for some details of the nature of the emergency. The AHEC is routed to every member of the Operations Department, not just the scheduled Operation's on-call staff member, for redundancy of coverage. The Operations on-call staff member is dispatched to the site immediately afterward.

The CSC engages in regular training and reoccurring training of its processes, procedures, instructions, and policies pursuant to a set of published documentation that is regularly reviewed and updated.

Other Related Telephone References

W-03039A-16-0322

W-03510A-16-0322

Backflow Specialists:

Cintas Fire Protection (Lake Havasu City): 928-855-2248
Metro Fire Equipment and Backflow (Mesa): 480-464-0509
Steve Jackson Backflow Testing (Parker): 928-669-0545

Health Regulatory Agencies:

ADEQ: 602-771-2300 or 800-234-5677 (hotline)
AZ Department of Health Services: 602-542-1025
US Environmental Protection Agency: 415-947-8000
Arizona Corporation Commission: 602-542-2237
AZ Department of Water Resources: 602-771-8500

Utility Purveyors:

Electric/ Gas: Arizona Public Service (APS): 800-253-9887

Contractors:

Well and Pump Contractors: Pump Test (Mayer): 928-632-4594
Central Arizona Pump (Payson, Kingman): 928-476-5440

Spare Parts Vendors:

Bud's Plumbing: 928-474-4441
Dana Kepner: 928-854-5050

Water Hauling Vehicles and Services:

Rio Verde Water Hauling: 602-616-9198

News Media:

Pacific Pioneer (928) 669-9624
Arizona Republic Newspaper: 602-444-8000

Loss of Source

W-03039A-16-0322

W-03510A-16-0322

(A.A.C. R18-4-116A.1)

Source of Supply Failure and/ or Excessive Demand

If the water source were lost due to contamination, excessively high demand, or a similar emergency, potable water shall be transported to customers by water truck. The La Paz County Emergency Services Department may provide non-potable water at convenient public location for customer access. A detailed public service announcement should be issued through electronic message distribution lists to inform the public of the steps that should be taken during this time period and the expected duration of the situation.

Brooke Water LLC may also supplement the supplied water with bottled potable water made available at a central location and/or distributed to customers in the affected service area. A detailed public service announcement advising customers of the time and location to pick up the bottled water will be indicated. The assigned locations for bottled water pick up will generally be plant sites. Customers who are not able to leave their homes will be instructed via the electronic message distribution list and/or public service announcement to contact the Customer Service Center and provide their address for bottled water delivery.

Potable Water Hauling Vehicles

Possible vendors from which to obtain a water tanker truck are as follows:

Rio Verde Water Hauling (602) 516-9198

Loss of Supply Due to Major Component Failure

(A.A.C. R-18-4-116A.2)

The failed component should be identified as quickly as possible. Any actual or potential water contamination and/or water loss resulting from the failed component should be isolated immediately. Distribution maps will be utilized to determine the appropriate sectional control valves needed to close the system and isolate the components. The following critical components shall remain in service or be restored to service as quickly as possible: wells, electrical supply to the well site, storage tanks, booster pumps, pressure tanks, and distribution system. If supply is insufficient due to the mechanical failure of a pump or motor, the company representative will check local inventory for availability of a replacement part or component. Should the needed item(s) not be available from the existing inventory, the representative will then contact all sources in order to obtain the item(s) as well as schedule any work to be conducted within an acceptable time frame.

Brooke Water LLC will provide emergency water supply via bottled water delivery and/or water hauling as the situation requires. The following are potential alternative vendors for replacement of failed components:

Lewus Electric: 928-468-6320
Dana Kepner Co.: 928-537-4076

If a building, pump house or storage facility should collapse or be damaged in any way, immediate steps must be taken to minimize damage and protect the water supply from contamination. The appropriate contractors would be contacted to assist in repair or replacement of the facility.

Loss of Power or Power Supply Equipment

(R.R. 18-4-116A.3)

In the event of a power supply equipment damage or a general loss of electrical power, the area provider of service would be immediately contacted in an effort to communicate the situation and gain insight into the expected duration and cause of the outage.

Arizona Public Service (APS) 800-255-1807

Should the power outage appear to encompass only a short time span, the water supply held in storage may be sufficient to meet the immediate demand during standard consumption situations. In the event the expected power outage duration indicates an unavoidable interruption of water service auxiliary power would be provided and be obtained to supply power to the intake pumps and booster station motors. Fortunately, Brooke Water LLC has its own 75 kW mobile trailer diesel auxiliary power generator that could be provided to a site specific location during a power shortage. Other sources of auxiliary power generation may also be available.

Should the power outage be the result of failed electrical components, Brooke's in-house staff will attempt to diagnose the problem, followed by contacting our various electrical contractors to obtain immediate assistance and repair.

Contamination of Water Supply, Backflow

(A.A.C. R-18-4-116A.4)

Backflow and cross connection problems are recognized caused in situation of microbiological or chemical contamination of a water supply. Implementation of Brooke Water LLC's Backflow Prevention Plan is utilized to reduce the frequency of this situation. In addition, Brooke Water LLC Brooke Water LLC collects water samples regularly which are submitted for microbiological sampling required by state and federal regulations to Legend Technical Services of Arizona (602-324-6100).

In the event of a cross connection or backflow event:

W-03039A-16-0322

W-03510A-16-0322

1. Identify the source of the contamination by visual inspections of the infrastructure and service area, chlorine residual sampling and other water quality testing.
2. Once identified, the cause of the contamination shall be immediately isolated or disconnected.
3. Any affected areas would also be isolated and appropriately treated, disinfected, or neutralized. Treatment includes, but may not be limited to line flushing and chlorination of the affected area.
4. If necessary, those affected areas of the production, treatment, transmission, or distribution system would also be replaced or removed from service.
5. Arrangements for alternative water sources may be utilized during this time (See "Alternative Sources of Water").
6. ACC, ADEQ, and all affected or potentially affected customers would be immediately notified in accordance with the Notification Procedures.
7. Once the contamination has been neutralized, chlorine residual monitoring and sample collection for laboratory testing would be performed until Total Coliform levels are within the acceptable range (0.05 mg/l) for safe drinking water, and service may be restored.

Contamination of Water Supply: Chemical or Microbiological

(AAR 17-4-116)

Implementation of Brooke Water LLC's Backflow Prevention Plan, included herein, is utilized to reduce the frequency of this chemical or microbiological contamination. In addition, Brooke Water LLC collects water samples regularly, which are submitted for microbiological sampling as required by state and federal regulations to Legend Technical Services of Arizona (602-324-6100).

In the event of a chemical or microbiological event:

1. Identify the source of the contamination by visual inspections of the infrastructure and service area, chlorine residual sampling and other water quality testing. To obtain assistance with identifying sources of contaminant, Affordable Backflow Services at 928-978-4999 may be contacted.
2. Once identified, the cause of the contamination shall be immediately isolated or disconnected.
3. Any affected areas would also be isolated and appropriately treated, disinfected, or neutralized. Treatment includes, but may not be limited to, line flushing and chlorination of the affected area.
4. If necessary, those affected areas of the production, treatment, transmission, or distribution system would also be replaced or removed from service.
5. Arrangements for alternative water sources may be utilized during this time (See "Alternative Sources of Water").

6. ACC, ADEQ and all affected or potentially affected customers would be immediately notified in accordance with the Notification Procedures. W-03510A-16-0322
7. Once the contamination has been neutralized, additional laboratory testing would be performed until Total Coliform levels are within the acceptable range (0.05 mg/l) for safe drinking water and service may be restored. W-03510A-16-0322

Collapse of Reservoirs

(A.A.C.R-18-4-116.A.5)

If a building, pump house, or storage facility should collapse or be damaged in any way, immediate steps would be taken to minimize damage and protect the water supply from contamination. The aforementioned notification procedures, loss of supply procedures, and contamination procedures should be followed immediately. The appropriate contractors would be contacted to assist in repair or replacement of the facility.

Breaks in Mains or Service Lines

(A.A.C.R-18-4-116.B.5)

If a main line or service line is damaged in any way, immediate steps would be taken to minimize water loss and water contamination. The aforementioned notification procedures, determination of emergency Level, loss of supply procedures, and the disinfection procedures should be followed as applicable. The appropriate contractors should also be contacted to assist in immediate repair or replacement of the problem facility.

Alternative Water Sources

(A.A.C.R18-4-116.B.1)

None of the Bixby Water Utility's systems have interconnections with other water purveyors. In the event both the primary and secondary well were unavailable for use, water would be hauled to the storage site as set forth in "Source of Supply Failure".

Alternative water providers, water haulers, and/or bulk bottled water providers would be contacted to request supplemental water supply.

Disinfection and Testing After Repairs

(A.A.C.R-18-4-116.B.3)

Flushing Procedures:

Once repairs are completed the affected portion of the distribution lines will be flushed using the most appropriate outlet within the isolated area. Flushing should be completed by opening the valves in the closed area only after opening the appropriate flush out valve. These valves should be closed one at a time in order to allow release of all water in the distribution lines during

time of the contamination, emergency and/or repair efforts. If air is found in the lines it will be necessary to and/or repair efforts. If air is found in the lines it will be necessary to allow free flow until most of the air has been removed from the system.

W-03039A-16-0322

W-03510A-16-0322

Disinfection and Testing Procedures:

Disinfection of the affected portion of the distribution system will be conducted in accordance with Arizona Department of Environmental Quality ("ADEQ") regulations. Specifically, upon completion of the flushing and prior to returning the system to full service, the affected area will be tested for a chlorine residual at each of the flush out locations. If the chlorine residual is not evident, that portion of the system will be flushed and disinfected again. A second residual will be taken. This procedure will be repeated until a satisfactory chlorine residual is attained. Residual tests would continue for a period not greater than 48 hours in duration. Once the affected portion of line has adequate residual a microbiological sample must be taken within 24 hours thereafter.

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Critical System Components that Shall Remain in Service or Be Restored as Quickly as Possible

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W-03510A-16-0322

(A.A.C.R-18-4-116B.4)

The following critical system components shall remain in service or be restored to service as quickly as possible:

1. Colorado River intake pumps as noted in system description section of this plan
2. Electrical supply to sites, booster sites, pressure tanks
3. Storage tanks
4. Pressure tanks
5. Distribution System
6. Various blow-off valves

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Critical Component Inventory

W-03039A-16-0322

W-03510A-16-0322

(AA. CR-18-4-116. B. 5)

An inventory of many critical components is maintained and stored at the Parker Division Operations Office. Written requests, telephone contact and electronic mail requests are used as a means for operators and contractors to request items, which may not be specifically listed on work orders or the inventory masters list.

In the event spare parts, pumps, or motors are required which are not maintained in the Parker Division Operations office inventory, the following supplier should be contacted in order to obtain the item(s) as quickly as possible:

Dana Keppner Co.:

928-577-4076

Staff Training in Emergency Operation Procedures

AC. RIB-4-116. B. 5

All water operators and authorized representatives of Brooks Water LLC's water systems will be issued a copy of this EOP upon start of employment. Any current employee without a copy of the EOP may request a copy from the corporate offices of Brooks Water LLC. Each employee will be responsible for review and understanding of the information provided herein.

Reviews may be conducted on the quarterly basis during staff meetings to ensure current knowledge and understanding of outlined procedures. Any and all modifications, changes or updates will be issued to all employees and all necessary regulatory agencies in order to maintain the EOP as a viable and accurate source of information.

END OF EOP

EXHIBIT B

For the Company's Customer Service, Staff recommends the Company provide the following information within 60 days of the Decision in this Docket:

1. **Call Center Matrix** – Please provide an organizational chart of the company's call center.
2. **Call Center Hours of Operation** – Please provide the operating hours of the company's call center including each day of the week when the call center is operational and the operating hours for each operational day.
3. **Call Center After Hours** – Please discuss in detail how the company handles emergency calls after hours.
4. **First call resolution** – Provide the percentage of calls that the agent resolves the caller's issue without having to escalate, transfer or return the call.
5. **Percentage of calls blocked** – Provide the percentage of callers that received a busy tone when they call.
6. **Average time in queue** – Provide the average amount of time callers wait in call queues before an agent responds.
7. **Average after call work time** – Provide the average amount of time an agent spends completing work related to the call after they finish the call.
8. **Service level** – Provide the percentage of calls answered within a specified number of seconds.
9. **Average abandonment rate** – Provide the percentage of callers who hang up before reaching an agent.
10. **Agent turnover rate** – What is the percentage of agents who leave the call center?
11. **Average speed of answer** – Provide the average amount of time it takes for the call to be answered by an agent or the Automatic Call Distributor (ACD).
12. **Average handle time** – Provide the average amount of time an agent spends speaking with the caller, including hold time.
13. **Schedule adherence** – To what extent do call center agent adhere with their assigned schedule?
14. **Escalation Matrices** – Provide a matrix of the how calls are escalated to call center supervisors and managers.
15. **Call Scripts** – Please provide copies of scripts provided to agents on how to respond to general and specific types of calls.
16. **Step-by-Step Call Resolution Flow Charts** – Please provide flow charts for call resolution.
17. **Call Center Training** – Please discuss the training offered by the company to its call center agents.