

ARIZONA CORPORATION COMMISSION

FORMAL COMPLAINT FORM



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W-03912A-17-0081

|                                                                                                                                                                                          |                                       |                          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------------|
| COMPLAINANT<br><b>Jeff Herbst</b>                                                                                                                                                        | COMPLAINT NUMBER<br><b>137503</b>     | DATE<br><b>3/21/2017</b> |
| ADDRESS<br><b>14304 S. Simons Rd. Pearce, AZ 85625</b>                                                                                                                                   | PHONE (HOME)<br><b>(520) 507-2982</b> |                          |
| NAME OF RESPONSIBLE PARTY<br><b>Dean Bales</b>                                                                                                                                           | PHONE (WORK)<br><b>(520) 400-4011</b> |                          |
| NAME OF UTILITY<br><b>Sunizona Water Co.</b>                                                                                                                                             | ACCOUNT NUMBER<br><b>034</b>          |                          |
| GROUNDS FOR COMPLAINT: (COMPLETE STATEMENT OF THE GROUNDS FOR COMPLAINT, INDICATING DATE(S) OF COMMISSION/OMISSION OR ACTS OR THINGS COMPLAINED OF.) (USE ADDITIONAL PAGE IF NECESSARY.) |                                       |                          |

Complaint 1. In the summer of 2011, before purchasing my property, Dean Bales told me he owned the well that serviced the water line beside my property. He told me he charged .04¢ or .05¢ per gallon of water. I asked if there were any other costs and he told me \$35 monthly fee. On January 2, 2017, Jenny Gomez told me that the Corp. Commission sets the prices and that Dean charges on a tier system which the price per gallon increases and is not fixed. She said Dean should have installed a smaller meter and my monthly fee should have been \$13.75. Jenny informed me I could have a formal hearing and my money returned.

ORIGINAL

Arizona Corporation Commission

DOCKETED

MAR 27 2017

NATURE OF RELIEF SOUGHT: (USE ADDITIONAL PAGE IF NECESSARY.)

DOCKETED BY

*AG*

Full financial restitution for paying a monthly fee of \$68.75 for a 1 1/2" meter for 4yrs. 11 months. I should have paid a monthly fee of \$13.75 for a 5/8" x 3/4" meter for that period.

SIGNATURE OF COMPLAINANT OR ATTORNEY

*Jeff Herbst*

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2. Complaint: In December of 2011, I purchased my property. I was making payments and wanted to move ASAP. Dean Bales told me he charges \$700 for installation, which he did not tell me the first time when asked about costs. During this conversation he told me a 1 1/2" line was in my best interest, because I wanted to grow a big garden. Once again no other costs were disclosed nor a Corp. Commission. On January 2, 2017 Jenny Gomez told me I was overcharged for installation. On Feb. 21, 2017 Jenny told me Dean claims he never received payment for installation.

Resolution: I want full financial restitution for paying \$1,050 for "Service Line and Meter Installation Charge" when I should have paid \$278 for a 5/8" x 3/4" Meter Installation under tariff dated May 31, 2000, Decision 62578.

3. Complaint: When I received my first bill for February 2012 I was shocked and angry about being charged \$75.64 for using 150 gallons of water. I drove to Dean's home and asked him to explain my bill. He said he just reads the meter and puts that number into his computer. I asked why the bill is so high and he said the bill is correct and wouldn't offer any explanation and went into his house. I believed he could charge me what he wanted without a contract.

Resolution: Full financial restitution including harm for continuing the lying and stealing for the next 5 years.

4. Complaint: On my first bill and many others I was charged for "services charges". Dean Bales refuses to give me any details about my bills. Jenny Gomez doesn't know what this charge is and emailed Dean to explain it. Dean has refused to give an explanation.

Resolution: Full financial restitution for 'Service Charges.'

5. Complaint: On January 7, 2017 Jenny Gomez and I talked about what to do. I told her Dean is vengeful and will not stop retaliating if he knows I contacted you. I explained about my illness and living in poverty month-to-month. Jenny instructed me to ask Dean to replace my meter for free and tell him she is aware of my request. I chose not to use Jenny's name when I asked him on January 10, 2017. Dean Bales agreed to exchange my meter, but stated I needed a 1" meter or I would not have water pressure. It would cost me \$35 month. I left Jenny a voice message of this agreement. Dean Bales did not do the exchange and told me on Feb 1, 2017 that I would need to pay him \$550 to do the work. I left a voice message with Jenny and talked to her the next day. Jenny told me it was untrue I needed a 1" meter and said the 5/8"-3/4" meter would be fine. She emailed Dean requesting he install the 5/8"-3/4" for free or a formal complaint will be filed. He had until Feb 8, 2017 to respond. She said my monthly for February and on will be \$13.75.

Resolution: Removal of ownership for lying about doing the exchange for free and lying about the size of meter I needed.

6. Complaint: On January 10, 2017 my neighbors, the Welter's and I hadn't received our December 2016 water bills. I called Dean Bales and he said I owed \$84.79 and I asked him to mail me a copy of my bill. I told Jenny Gomez I have not received that bill and she emailed Dean to send her a copy. As of Feb 10<sup>th</sup>, 2017 I nor Jenny have received it.

Resolution: Dean Bales refuses to give his customer a bill and a copy of that bill to the Corp. Commission I want full financial restitution for December 2016. He needs to be removed from ownership.

7. Complaint: Dean Bales did not mail my January 2017 water bill to my mailing address. This is unlawful. He mailed it to a non-existent address without a return address in an act of retaliation.

Resolution: Removal of ownership for illegally not mailing my bill to my billing address and attempting to prevent me from getting my bill. And retaliation.

8. Complaint: On Feb 6, 2017 Dean Bales went to my neighbors, the Welter's, and interfered/intimidated them. I received a letter from the Welter's the next day Feb 7, 2017 stating they don't want their names

and address involved in legal matters. I cannot use their address to get my bills anymore. Jenny Gomez told Dean Bales to send my bills to any address of my choice and told him to send Feb. 2017 bill to her.

Resolution: Dean Bales had no legal authority to approach the Welter's and interfere with me receiving a bill and needs to be removed of ownership.

9. Complaint: On Feb 11, 2017 Dean Bales replaced my 1 1/2" meter with a 5/8"-3/4" used meter without any notification. Jenny Gomez gave him 3 days and times. He was supposed to chose a day and time and tell Jenny. As I was leaving my property at 10:30am I saw the 1 1/2" meter was gone and so my water was off. There was a 1 1/2" PVC coupler glued to my line and a galvanized metal reducer inserted into the 1 1/2" valve which was locked in off position. Jenny Gomez had ordered Dean to not shut-off my water and on Feb 13, 2017 he lied to her saying he had a witness that the water was not turned off. I returned home around 12:30pm and the 5/8"-3/4" was installed. Dean installed a severally damaged galvanized reducer into the 1 1/2" PVC coupler he glued onto my pipe line causing it to rupture on Feb 23, 2017 just 12 days after he installed it. Jenny instructed Dean to take a photo of the 1 1/2"

meter reading, but he refused.

Resolution: Dean Bales violated the rules of Corp. Commission by not notifying Jenny and me of the day and time of replacing the meter. He intentionally prevented Jenny and me from getting a final meter reading. He ~~intentionally~~ criminally damaged a part on the outflow side of the meter in an attempt to run-up my water bill and money to fix it. I want full financial restitution for costs and time to repair and secure my line. I want Dean removed from ownership for his criminal actions.

10. Complaint: On February 23, 2017 I was forced to abandon the project I began. The wildflower seeds I had scattered were blown away when the heavy wind started in the afternoon.

Resolution: Dean Bales caused the water break and I want full financial restitution of the seeds I purchased and collected.

11. Complaint: On Feb. 23, 2017 Jenny Gomez ordered Dean to not come back to my property after he refused to fix my line and I decided I would fix it. Dean returned to my property that evening. He was looking in the meter area. I believe ~~he~~ if I wasn't

there he would have damaged the meter or my line. The next day Jenny asked Dean if he had returned to my property he said he did not. When Jenny asked him again he said he was there because ~~he~~ I had video recorded him there.

Resolution: Dean was caught lying and disobeying the Corp. Commission. I believe he was there to cause criminal damage. He needs to be removed from ownership.

12. Complaint: On Feb 24, 2017 I believe I was being followed as when I was driving south on Hwy 191. by David Mackay in Dean Bales blue and white pick-up truck. I believe he was to keep watch on me so Dean could go back to my property and do damage to my water line. I was able to pretend like a turned back.

Resolution: Dean Bales needs to be removed from ownership.

13. Complaint: On Feb. 28, 2017 my water pressure was low. My water pressure with the new 5/8" - 3/4" meter had been very high from the day of installation Feb. 11, 2017. Jenny called Dean and reported low water flow. Jenny called me back and said Dean was going to

my neighbors the Welter's. When Dean left the Welter's I saw him driving towards my gate. I got my video camera and saw Dean closing ~~the~~ <sup>my</sup> meter box lid and got into his truck. As I approached my gate an unidentified man got out of the truck first and Dean followed. One of them said this man was an officer. He was dressed in street clothes. He was the first to speak telling me to turn-off my camera or he will sue me. Dean started to tell me the lie that my meter was too small and that was the cause of low water flow/pressure. After Dean left I checked and my water pressure was magically very high. Jenny called soon after and said Dean told her he had an officer present. Dean told her "something was stuck" in my meter box, but didn't tell her what ~~that~~ was stuck. ~~For~~ Jenny and I believe this an obvious lie because there is nothing that can be stuck. ~~At~~ The first thing I did when I discovered my water was low is check the meter for damage and the valve was full on position. I told Jenny I believe Dean is closing a valve partially restricting the flow and when you called him he opened it up and the water flow was back to very high. Jenny requested an answer from Dean to explain "what was stuck". My water pressure/flow has been reduced to medium since that day.



Resolution: Dean Bales is retaliating by reducing my water flow. He was caught lying to Jenny telling her a fictional story about why my water flow was low. He gave me a different lie about why my water flow was low. He also brought an unidentified man to my property to intimidate me. Dean Bales needs to be removed for criminal behavior.

14. Complaint: Jenny Gomez emailed Dean to provide copies of my bills and he has not complied. I don't believe he keeps records of the people he is and has stolen from.

Resolution: Dean needs to be audited to determine if he has customers off the books. He needs to provide records when the Corp. Commission demands records.

15. Complaint: Dean Bales wrote Jenny Gomez stating the people who have received my bills have called him to ask why he is sending my bills to them. This is ridiculous nonsense. One of those people he sent my bills to for 3yrs. is my mom.

Resolution: Removal for lying to Corp. Commission.

16. **Complaint:** Over 3 years ago, I was witness to Dean Bales attempt to extort money from the owner of the Mustang Mall store. He started a lie that he was in trouble for missing 1/2-1 million gallons of water and then blamed the owner of the store for stealing it. He stated he was entitled to 3x the price of the stolen water. One day Dean asked if I would help dig and I agreed. About 3 weeks later me and another person named Russ dug from the store's meter to the elbow of the main line and found no lines circumventing the meter. I later learned Dean circulated a slanderous letter and filed a lawsuit based on the stolen water lie against the store owner.

**Resolution:** The Corp Commission ~~and~~ should look into this case and decide if an owner of a water company who extorts and slanders be allowed to own a water company.

17. **Complaint:** The Corp. Commission states Dean Bales needs to have someone qualified and immediately available to run Sunizona Water Co. should he be unable to do so such as an illness or long-term hospitalization or a vacation. Jenny Gomez nor does anyone else know the name, address, qualifications of this person.

**Resolution:** If there is no one qualified and available to take over when needed, then an owner that can provide this service needs to take over.

18. Complaint: In the 5 years I estimate 4-5 water turn-offs each year have occurred and it is my understanding that Dean Bales is supposed to have made reports to the Corp. Commission and he has not. For example, on the last 2 days of Nov. 2016 the water was off and I saw him digging with his back-hoe on the main line across from his house. There are 2 new large pieces of PVC pipe sticking out of the ground indicating he put in 2 new valves. I received no notification nor does Jerry Gomez have any record of this action. Dean Bales takes 2 or more days to fix leaks. I have seen him on many occasions dig-up a leak, but not repair it until the next day.

Resolution: Dean Bales has demonstrated a long period of time when he didn't report water turn-offs nor care to customers to turn the water back on.

19. Complaint: Dean Bales once told me he was supposed to have a college degree to run a water company and if they try and take his company he would fill-in his well with cement. I had no idea what he was talking about, but have recently been told he doesn't have some kind of ADEQ licensing. I now believe he was promoting the college degree as a lie if he should lose the water company for not being licensed. I don't know what the truth is other than he is vengeful and retaliates.

Resolution: Dean Bales should be removed for his willingness to cause wide spread harm and the Corp. Commission should verify if he is unlawfully operating without proper licensing.

20. Complaint: Most of my bills have arrived by mail on the 8<sup>th</sup> or well after making it impossible to mail in a payment ~~to~~ and arrive by the 10<sup>th</sup> which is the due date on the bills. My Feb. 2017 bill is supposed to be mailed to Jenny Gomez and hadn't arrived on Feb 9, 2017. On March 10, 2017 Jenny emailed Dean saying I owed ~~him~~ \$21.50 for Feb 2017 bill. \$13.75 meter charge + \$4 water charge + \$3.50 tax.

Resolution: Dean needs to mail bills earlier and ~~stop~~ change the due date that corresponds to the due date of the Corp. Commission.

21. Complaint: In summary, Dean bales has lied many times, continually withheld information, acts in non-compliance ~~is~~ towards Corp. Commission, stolen thousands of dollars causing great hardship, caused criminal damage, and retaliated many times for financial profit. He has contempt for the Corp. Commission and disregards their rules and demands. I believe he will continue to retaliate and become violent.

Resolution: Criminal behavior cannot be acceptable. He should be removed immediately and a reputable company should take over Sunizona Water Company.