

ORIGINAL

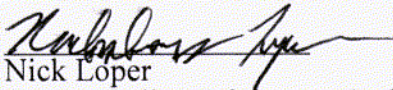


0000179978

CERTIFICATION OF SERVICE

On this 31st day of May, 2017, the foregoing document was filed with Docket Control as a correspondence from Commissioner Andy Tobin, and copies of the foregoing were mailed on behalf of Commissioner Andy Tobin to the following who have not consented to email service. On this date or as soon as possible thereafter, the Commission's eDocket program will automatically email a link to the foregoing to the following who have consented to email service.

W-02015A-17-0126


By: 
Nick Loper
Deputy Policy Advisor to Andy Tobin

Arizona Corporation Commission

DOCKETED

MAY 31 2017

DOCKETED BY



Andy Kvesic
ARIZONA CORPORATION COMMISSION Director – Legal Division
1200 West Washington
Phoenix, Arizona 85007
LegalDiv@azcc.gov

Elijah Abinah
ARIZONA CORPORATION COMMISSION Director – Utilities Division
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RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL
2017 MAY 31 A 8:30



Memorandum
From the office of
Commissioner Andy Tobin
Arizona Corporation Commission
1200 W. WASHINGTON
PHOENIX, ARIZONA
(602) 542-3625

TO: Docket Control

DATE: May 30th, 2017

FROM: Commissioner Andy Tobin's Office

SUBJECT: Doc. No. W-02015A-17-0126

Correspondence and evidence to all five Arizona Corporation Commissioners from Anita Christy on behalf of the Beaver Valley community regarding the Beaver Valley Water Company during the special open meeting held May 24th, 2017.

2nd REVISED NOTICE
SPECIAL OPEN MEETING
OF THE ARIZONA CORPORATION COMMISSION

Public Comment

DATE: Wednesday, May 24, 2017

TIME: 6:00 P.M.

Beaver Valley Fire Department
911 W. Beaver Flat Rd
Payson, AZ 85541

This shall serve as notice of a special open meeting of the Arizona Corporation Commission at the above location for consideration, and discussion of the items on the following agenda and other matters related thereto. Please be advised that the Commissioners may use this open meeting to ask questions about the matters on the agenda; therefore, the parties to the matters to be discussed or their legal representatives are requested, though not required, to attend.

The Arizona Corporation Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, as well as request this document in an alternative format, by contacting Carolyn Buck, phone number (602) 542-3931, E-mail cdbuck@azcc.gov. Requests should be made as early as possible to allow time to arrange the accommodations.

TED VOGT
Executive Director

Language
Added

Note: The Commission will provide an opportunity for only in-person public comment on this agenda. For persons wishing to call in to listen only, please use the following bridge number 1-800-689-9374 and passcode: 415960.

AGENDA

- I. Welcome and Introductions
- II. Public Comment In the matter of Water Outages, Water Quality and Customer Service at Beaver Valley Water Company, Docket No. W-02015A-17-0126 and the Need for Potential Remedial Actions.

NOTE: NO VOTES ON ANY SUBSTANTIVE MATTER WILL BE TAKEN DURING THIS PUBLIC COMMENT SESSION

Good Evening and Welcome to Beaver Valley.

My name is Anita Christy. I live in Unit #3 with my husband Chris. We've lived here for about 7 years. Unit 3 is across the river from the Fire Station.

I want to draw your attention to a packet of information I have provided for each of you. It includes documents which back up virtually everything I'm about to say. I've also included my business card with contact information.

This is what I believe the residents of Beaver Valley want: **An adequate supply of potable water at a reasonable price.** That's all.

I know that Mr. Armstead has recently taken over the ownership of the Beaver Valley Water Company, and this **might** give many residents cause to celebrate.

The previous owner's antics over the last 12 years might seem like "old news," but it isn't, and here's why:

The problem with Mr. Davoren isn't that he treated many of his customers egregiously, insulting them, calling them thieves and liars, turning them against each other, in writing, laughing at them, humiliating them, in writing, or that he has treated the agencies that regulate him with contempt, repeatedly ignoring compliance demands, and even going so far as to call the ACC staff corrupt.

The problem isn't that he blatantly, purposefully, lied about the definition of Stage 2, to the point of maniacal absurdity, using the ACC's so-called blessing as a club to pummel his customers.

The problem isn't that he threatened again and again in written letters to those he didn't like, that their service could be terminated without notice, if he caught them watering outside.

That's not the problem. The Problem is that, for the last 12 years, he's gotten away with it. The problem is that he did this without any oversight. Otherwise, how could this have happened?

I understand that the ACC wants to help "**struggling**" rural water operators. Like an indulgent father, the ACC has continued giving this wayward son one more chance, and one more chance, and one more chance to straighten up and fly right. (See <http://docket.images.azcc.gov/0000052197.pdf> as one example. The \$10,500 fine was waived.)

I got involved in this situation just a few months ago, when I saw a large banner erected on the fence of Mr. Davoren's Water Company. It indicated Stage 2 Water Restrictions stating "Mandatory Elimination of Outside Watering;" "Failure to comply may result in temporary loss of water." **This was a lie he repeated multiple times, in writing and in**

person. His intention was to bully his customers into stop all outside watering, so he wouldn't have to haul water or spend any money making repairs.

Most every business must invest money in repairs, upgrades, infrastructure, and other deficiencies. The Beaver Valley Water Company isn't any different. The deficiencies that existed last month still exist. We no longer obtain surface water, because it isn't properly treated. We receive water from a back-up well only. Many people suffer from frequent water outages and extremely low water pressure.

The Water Company lacks an adequate filtration system, well, pumps, storage units, and distribution systems. As of this writing, the Water Company is still using a "temporary" hose that goes up a sycamore tree, loops over the river, up a second tree, and down the other side to a main line. That delivers water to about 50 households, including mine.

Leaks pop up everywhere. In fact, the most infamous is what I refer to as the BeaverGlades, cattails and all, at the corner of Beaver Flat Road and Palomino Drive. All that was missing was the alligators. It has finally been repaired.

Mr. Armstead has assumed the responsibility to fix the deficiencies. It's going to require a hefty financial investment in the Water Company, and NOT in motor homes, snowmobiles, Harley Davidsons, pontoon boat, bass boat, atv, jeep , brand new Dodge truck.

So, I—we—have high hopes that the ACC will ensure that the residents of BV have what we have always wanted: **An adequate supply of potable water at a reasonable price.**



NOTE: With the recent purchase of the BVMC, some of the orders no longer apply. However, there 54 signatures are a small indication of the level of anger regarding water service.

Many of these folks are weekenders & could not attend mtg.

This petition is issued to the Honorable Commissioners of the Arizona Corporation Commission ("ACC") and to the Arizona Department Environmental Quality (ADEQ) and is from the Water Customers and Property Owners ("Petitioners") within the Certificate of Convenience and Necessity ("CC&N") issued by the ACC to the Beaver Valley Water Company ("Company"), Public Water System No. 04-004, a community water system classified as a surface water system consisting of an intake at the edge of the East Verde River and a ground water well #55-631548.

The Petitioners within the CC&N, located approximately six miles north of Payson, Arizona have long suffered from inadequate water service from the Company in terms of (a) treatment technique violations that fail to achieve ADEQ required 3-log removal of Giardia lamblia cysts or 4-log removal of viruses (b) direct addition of product to water during treatment that does not conform to ANSI/NSF Standard 60, (c) failure to timely mail a copy of its Consumer Confidence Report to ADEQ or customers, and (d) failure to provide require minimum storage capacity. The Arizona Department of Environmental Quality ("ADEQ") has frequently issued Compliance Orders related to violations of various provisions of A.R.S, the Arizona Administrative Code or an ADEQ issued permit (see ADEQ Compliance Order issued under Docket DW-39-15 issued on November 2, 2015).

These serious violations result in (1) endangerment of the health and safety of those consuming improperly treated water, (2) unreliability of water supply caused by system wide interruptions of service to individual homes to make frequent leak repairs because of inoperable section shut off valves, (3) water often laced with mud and high turbidity from unsanitary distribution repair procedures, (4) frequent low & no water pressure due inadequate well capacity, (5) discontinuance of river water use because of non-compliant treatment and limited storage of treated water.

Since July of 2016, due to (4) above, the Beaver Valley community (approximately 220 customers) has been on Stage 2 restrictions limiting indoor use to 50% of normal usage (voluntary but often resulting in no water or low pressure below 20 psi) and if outside usage is discovered the company will shut off the customers water, both actions in violation of the ACC curtailment plan (case W-02015A-02-0458). Further, a line across the river, even if repaired, is lying on top of the bedrock and will be subject to future breaks during annual high water flows in the river. Currently, approximately 25% of the total customers that are located across the river are being served with a temporary hose approximately 1.5" in diameter poly line going up a large sycamore tree, looped over the river, and up a second tree, and down the other side to a main serving about 50 homes.

The Company owner has indicated to the customers and the District Manager of the Beaver Valley Domestic Water Improvement District formed in 2009 that he intends to continue to only use the low volume single back up well to continue serving all customers rather than making necessary upgrades to the filtration facilities ADEQ has required be disconnected from the water system. The Company owner believes the single well will provide adequate long-run service based on him assuming the 50% restriction on indoor use and no outside use stays in place.

Requested Arizona Corporation Commission Actions:

- The Petitioners request the following actions be taken immediately by the Commissioners:
1. Order the Company, at its own expense, to increase capacity by hauling water or add another well or correcting the system deficiencies to treat river water, or by put 40,000 gallon reserve tanks on line, so the community has reasonably normal water availability and the 50% reduction in use is eliminated. Please note the summer season when property use increases dramatically is only weeks away, and if supplemental water is not added to the system, outages and low pressure will likely continue.
 2. Order the Company to replace the temporary line across the river with a permanent line that is buried or contained within a highly protective sleeve.

Requested Arizona Department of Environmental Quality Actions:

1. Order ADEQ, within one week, to complete a full system audit of the complete system (filtration system, well isolation valves, etc.) and the records for compliance to all applicable standards. ADEQ Storage requirements should be based on water usage records and on peak demand that occurs during summer months, and on peak weekend usages on key holiday weekends. Based on results of that inspection, we request the ACC take immediate action to have ADEQ issue corrective actions to issues to its own appropriate orders to have the customers receive adequate water service.
2. Order the Company to allow the Beaver Valley Domestic Water Improvement District ("District"), or its appointees, as representatives of the Petitioners, to enter the Company facilities for the purpose of an appraisal so that the District can make a proper valuation of the assets and going concern value, such that an offer can be made to acquire the system in a negotiated purchase. NOTE: Over the years the owner has indicated he was willing to sell, but recently has not allowed the District access to

facilities or records to exercise its desire to acquire the system so it can be improved operationally by the District investing significant financial resources to make necessary improvements to correct deferred maintenance and improvements necessary to meet increasing ADEQ/EPA standards, especially requirements for filtration of the important available surface water.

Petitioners: I hereby agree with the above petition and requests of the ACC.

PRINTED NAME	SIGNATURE	ADDRESS	DATE	LOT NO.'S	PRINTED NAME	SIGNATURE	ADDRESS	DATE	LOT NO.'S
Mark Thuermer	<i>[Signature]</i>	999 W Verde St	5/6	192	Diane Hallett	<i>[Signature]</i>	999 W Verde	5-6-17	1+2
Daniel Newman	<i>[Signature]</i>	558 N Pecos St 37916 N CENTRAL AVE	5/6 5/6 5/6	558	Helen Norman	<i>[Signature]</i>	558 N Pecos St	5/6	558
GAIL BELINGER	<i>[Signature]</i>	PHX, AZ 85084	5/6/17	82	SHERA BEEMER	<i>[Signature]</i>	PHX, AZ 85086	5/6/17	82
William Sutton	<i>[Signature]</i>	1735 E Chino Ave 1735 E Chino Ave	5/6/17	82	Mark Sutton	<i>[Signature]</i>	1735 E Chino Ave	5/6/17	82
James S. Brown	<i>[Signature]</i>	575 W Palo Verde	5/6/17	80A	Thomas Christy	<i>[Signature]</i>	609 S Palomino Dr	5-7-17	82
David Holt	<i>[Signature]</i>	532 N Frank Hwy	5/6/17	82	Anna Christy	<i>[Signature]</i>	609 S Palomino Dr	5-7-17	82
DeVORAS M. R. EIT	<i>[Signature]</i>	5324 KUP Holders Ln			Marianne Costa	<i>[Signature]</i>	584 S Palomino Dr	5/17	82
David Miller	<i>[Signature]</i>	3802 E Amberwood	PHX 85078		Scott Miller	<i>[Signature]</i>	3802 E Amberwood	5-7-17	LOT
Wendy McShane	<i>[Signature]</i>	82 S Palomino Dr	85551		Maria	<i>[Signature]</i>	82 S Palomino Dr	5-7-17	LOT
Barbara Renee	<i>[Signature]</i>	591 S Palomino Dr	Lot 113		Barbara Renee	<i>[Signature]</i>	591 S Palomino Dr	5/17	LOT 113
Sylvia Corbella	<i>[Signature]</i>	3550 Anthonyway	Phoenix AZ 85026		Tom Corbella	<i>[Signature]</i>	3550 Anthonyway	Phoenix AZ 85026	LOT 68-48-44
Jim McGeer	<i>[Signature]</i>	111 S Palomino Dr	8/17		MARCELA WISSET	<i>[Signature]</i>	111 S Palomino Dr	8/17	5/8/17
SCOTT KREINER	<i>[Signature]</i>	116 ROAD	5/6/17	LOT 3-1104	Kinda Kremer	<i>[Signature]</i>	116 ROAD	5/6/17	LOT 3-1104
Genevieve Rice	<i>[Signature]</i>	1040 S. Palomino	5/8/17	LOT 75-76	Genevieve Rice	<i>[Signature]</i>	1040 S. Palomino	5/8/17	LOT 75-76
Tommy Lewis	<i>[Signature]</i>	1054 S Palomino	5/8/17		Tommy Lewis	<i>[Signature]</i>	1054 S Palomino	5-8-17	

facilities or records to exercise its desire to acquire the system so it can be improved operationally by the District investing significant financial resources to make necessary improvements to correct deferred maintenance and improvements necessary to meet increasing ADEQ/EPA standards, especially requirements for filtration of the important available surface water.

Petitioners: I hereby agree with the above petition.

PRINTED NAME	SIGNATURE	ADDRESS	DATE	LOT NO.'s	PRINTED NAME	SIGNATURE	ADDRESS	DATE	LOT NO.'s
Robert Gaurie #180	<i>[Signature]</i>	284 N Old Town Dr	5-12-17		Kathy Gaurie	<i>[Signature]</i>	284 N Old Town Dr	5-12-17	
Tom Wickham #25	<i>[Signature]</i>	799 N " "			Melissa Blum	<i>[Signature]</i>	299 N Old Town Dr		5-12-17
James A. Kennedy James & Kennedy	<i>[Signature]</i>	115th W Beaver Flats Rd	5/17/17	103108	Wendy Lee Kennedy	<i>[Signature]</i>	115th W Beaver Flats Rd	5/17/17	103108
Benicia L. Sanku	<i>[Signature]</i>	5107 W Beaver Flats Rd	5/17/17		Wint Alford	<i>[Signature]</i>	1078 Palomino Rd	5-17-17	
John Reigelberger	<i>[Signature]</i>	975 S. Palominos	5/17/17						
Artie John Schell	<i>[Signature]</i>	2411 Old Town	5-17-17	6-14	Linda Jenkins	<i>[Signature]</i>	241 Old Town Dr	5-19-17	6-14
Scott Zerk	<i>[Signature]</i>	238 North Old Town Dr	5-19-17						
Randy Johnson	<i>[Signature]</i>	1710 Old Town Ct	5/17						1710 Old Town Ct, 5/17/17
Teresa Novack	<i>[Signature]</i>	695 S. Palomino Dr.							
TAMMY LAY	<i>[Signature]</i>	685 S. Palomino Dr			SPOLN				
HAARLES PRAEIMAN	<i>[Signature]</i>	379 S. Palomino Dr							
Helon Heiler	<i>[Signature]</i>	1040 S. Palomino Dr	5/17/17						
Walt Heiler	<i>[Signature]</i>	730 S. Palomino Dr	5/17	89/90					
Penelope Heikman	<i>[Signature]</i>	259 S. Palomino Dr.	5/21/17						
Sally Fountain	<i>[Signature]</i>	206 S. Palomino Dr.	5/21/17						

Anita Christy

From: Anita Christy <anitalchristy@gmail.com>
Sent: Thursday, May 4, 2017 9:18 AM
To: Mike Buck
Cc: Randy Johnson (hirehandyrandy@gmail.com)
Subject: BEAVER VALLEY WATER CO. - MIKE DAVOREN
Attachments: bvwaterrulling(3).pdf; IMG_3265.jpg; MIKES.NOTICE.APR.MAY.2016.doc; IMG_3253.JPG; IMG_3258.JPG; IMG_3247.JPG; BeaverValleyWater.03222017.doc; DC-2422630.pdf; IMG_3342.JPG

Importance: High

Hello Mike,

Thank you for hearing me out yesterday via our telephone conversation. I have copied Randy Johnson on this email. He is the Chairman of the Beaver Valley Domestic Water Improvement District (BVDWID). He is holding a meeting this Saturday, May 6, to discuss many issues relating to Mr. Davoren's actions.

I realize this is somewhat lengthy and am hopeful that you will read it thoughtfully, as it took quite a bit of work to put it all together. My intention is to see justice prevail, no matter how long it takes. I also need to know what, if any, action the ACC can take. At the very least, Mr. Davoren should be required to remove his misleading banner and statement on invoices, and replace them with accurate statements. In the past, he has ignored the ACC. Are there any fines/penalties that the ACC is legally allowed to impose? If you are not permitted by law to do this, perhaps I need to work with our legislators to enact laws that are more protective of consumers against the tyranny of government-sanctioned monopolies.

The problem seems to stem from Mike's refusal to upgrade his water system. In the meantime, at least 2 new homes are being built in BV, and I assume that Mike will install water meters. How can this be done when there is such an alleged shortage of water for existing rate payers?

As I stated on the phone, Mr. Davoren has been misrepresenting the administrative law regarding Water Curtailment policies and procedures, for a year at least. His record of poor service and intimidation of customers goes back much further than that. In fact, back in Sept. 2006, a complaint was filed to the ACC by "Homeowners of Beaver Valley." Unfortunately, they didn't list their names. I can only guess that it's because of Mike's aggressiveness and retaliatory behavior. They identified multiple outages as well as instances of brown/contaminated water. <http://images.edocket.azcc.gov/docketpdf/0000061098.pdf>.

This latest issue came to a head when Mike stopped using water from the East Verde River that flows through Beaver Valley and began relying solely on well water for approximately 280+ residents. (My understanding is that ADEQ advised him that the water was of poor quality, and he would have to make repairs to/replace his filtering equipment. He opted to stop using the river water, which has now created his alleged water crisis.)

Some folks complained to the ACC in spring/summer 2016, which prompted a 7/13/2016 letter from Brian Smith of the ACC to Mike clarifying the voluntary provisions of Stage 2, and reiterating that Stage 2 does NOT permit discontinuation of water service. **See attached**. As you will see, Mr. Smith's letter had no effect on Mike.

In March of this year, 2017, Mike erected a large banner on the fence of the Water Company stating that "STAGE 2 MEANS MANDATORY ELIMINATION OF OUTSIDE WATERING. FAILURE TO COMPLY MAY RESULT IN TEMPORARY LOSS OF WATER SERVICE. **See attached**. The banner is **5 feet wide and 3 feet tall**. His invoices also carry the statement: *stage 2 conservation NO OUTSIDE*

WATERING. (My scanner isn't working right now, so I can't show it to you, but I can provide it later if you need it.)

When I saw the banner, I spoke with him personally about it, simply asking about the situation. He mentioned a Notice that he had sent to customers the previous year. Later, I found the Notice in my files, along with an attachment which was the Curtailment for Beaver Valley dated 6/20/2002. (Unable to scan his Notice, but I have retyped it verbatim into a Word document, **attached.**)

Attached are photos of the East Verde River to which Mike refers in his Notice, which runs through BV, right next to the Water Company. These photos were taken during the month of March 2017. Also, 2 trees in my yard fell over, due to the heavy rains soaking into the ground in Feb/March 2017, and both had to be cut down. (**See attached.**)

After finding Mike's Notice, I sent a letter to him dated March 22, 2017 disagreeing with his interpretation of Stage 2 as stated on the Banner and his statement on his invoice, as well as his interpretation of Stage 2 as stated in his April/May 2016 Notice. **See attached.**

Mike responded to my letter. **See attached.** (NO DATE, but it was probably sent around March 31, 2017.) Please note that his outlandish response is insulting; it is not true that "99% of the community understands"; he uses red herring fallacious arguments to "prove his point," and also note that he writes: ***"The only voluntary part of stage 2 is reduction of your normal household use. Implies nothing else."*** He also states: ***"Failure to comply could result in disconnect (as provided by ACC statute), exactly as the banner states."***

The Beaver Valley Domestic Water Improvement District (BVDWID) has attempted to correctly inform residents about Mr. Davoren's intentional misinterpretation of Stage 2 by publishing both Mike's Banner as well as Brian Smith's 7/13/2016 letter in the April 2017 edition of the Beaver Valley Estates Bulletin. See page 7. http://www.orgsites.com/az/bvia/April_2017_Bulletin.pdf

Mike has verbally threatened residents that, if he catches them doing any outside watering, he will turn off their water and put a lock on it. You asked if he had actually followed through. According to Mr. Randy Johnson of the BVDWID, last year, Mike did turn off the water of a young family. I have spoken with them as well. They received so much grief over the situation, they are now hauling their own water in order to maintain their garden, poultry, and lawn. (**See attached.**)

In hopes of an effective resolution to this matter, thank you.

Sincerely,
Anita Christy
609 S. Palomino Dr.
Payson, AZ 85541
602-920-2390

FILE IN W-02015A-03-0724



0000061098

ORIGINAL
ARIZONA CORPORATION COMMISS
UTILITY COMPLAINT FORM

4708

Investigator: John La Porta

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2006 - 55059

Date: 9/6/2006

Complaint Description: 05Z Quality of Service - Other

First:

Last:

Complaint By: Homeowners of Beaver Valley

Account Name: Homeowners of Beaver Valley

Home: (000) 000-0000

Street: N/A

Work: (000) 000-0000

City: N/A

CBR:

State: N/A Zip: N/A

is:

Utility Company: Beaver Valley Water Company, Inc.

Division: Water

Contact Name: [REDACTED]

Contact Phone: [REDACTED]

Nature of Complaint:

HOMEOWNERS OF BEAVER VALLEY SENT THE FOLLOWING CORRESPONDENCE

August 28, 2006

AZ Corp. Commission
Attn: Docket Control

re: Beaver Valley Water Co.
W-02015A-03-0724
1200 W. Washington St.
Phoenix, AZ 85007

Arizona Corporation Commission
DOCKETED

SEP -7 2006

DOCKETED BY: NR

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL
2006 SEP -7 P 12:09
RECEIVED

To Whom It May Concern:

We have serious concerns regarding the Beaver Valley Water Company's ability to provide water on a daily basis year round. See enclosed dates when there was no water, contaminated water and/or brown water. It appears that Mike Davoren thinks that water is optional and not a daily necessity. He stocks nothing for repairs which causes lack of service for days at a time. Our last contact with him was when he stated he quit and we should call the Arizona Corporation Commission when we have a problem. We, the homeowners of Beaver Valley deserve better, please help us. Our goal is to have a water company, that:

1. Has a reliable/skilled work force (more than one worker);
2. Has a backhoe and all required tools to do repairs within 8 hours (most water companies repair and supply water within 4-8 hours);
3. Stock onsite supplies required for such repairs (not drive to Phoenix for parts after the failure);
4. Has the financial resources to fund this business (not some "maybe" financing that never happens).

The requirements of the Arizona Corporation Commission state that a "fit and proper entity" should operate such a utility. We do not see how Mike Davoren's behavior reflects anything close to that. Please find us a

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

professional operator to run this water company.

Thank you.
Homeowners of Beaver Valley

DATES BEAVER VALLEY WATER COMPANY FAILED TO PROVIDE SERVICE

May 17, 2005 - no water
July 18, 2005 - no water
July 19, 2005 - no water
July 26, 2005 - no water
July 27, 2005 - no water
July 28, 2005 - no water
August 11, 2005 - no water
August 12, 2005 - no water
August 13, 2005 - water contaminated (as posted by water company)
August 14, 2005 - water contaminated (as posted by water company)
August 15, 2005 - water contaminated (as posted by water company)
August 16, 2005 - water contaminated (as posted by water company)
August 17, 2005 - water contaminated (as posted by water company)
August 18, 2005 - water contaminated (as posted by water company)
November 29, 2005 - no water
November 30, 2005 - no water
December 1, 2005 - no water

July 1, 2006 - no water
August 4, 2006 - brown water
August 5, 2006 - brown water
August 6, 2006 - brown water
End of Complaint

Utilities' Response:

09/07/06-Copy of the correspondence was faxed to Mike Davoren at (928) 474-5759 on this day.
End of Response

Investigator's Comments and Disposition:

09/05/06-Opinion of Homeowners of Beaver Valley's Opinion docketed in Docket No. W-02015A-03-0724.
(Number of Homeowners unknown - no signatures). A hearing will be held on September 21, 2006 in Phoenix,
AZ to determine ownership of the company. There was no address given for the homeowners, so follow-up
correspondence was not generated. CLOSED.
End of Comments

Date Completed: 9/6/2006

Opinion No. 2006 - 55059

COMMISSIONERS
DOUG LITTLE – Chairman
BOB STUMP
BOB BURNS
TOM FORESE
ANDY TOBIN



JODI JERICH
Executive Director

ARIZONA CORPORATION COMMISSION

July 13, 2016

Mr. Michael Davoren
Beaver Valley Water Company
P.O. Box 421
Payson, AZ 85547

RE: Beaver Valley Water Curtailment Tariff

Dear Mr. Davoren:

As you are aware, it has come to the attention of the Utilities Division ("Staff") of the Arizona Corporation Commission ("Commission") that an issue has arisen between Beaver Valley Water Company ("Beaver Valley" or "Company") and certain customers regarding the interpretation and scope of the Company's Curtailment Plan ("Tariff") which became effective as a matter of law on July 20, 2002 (Docket No. W-02015A-02-0458). The purpose of this letter is to address the substance of the Tariff which will hopefully resolve any disputes pertaining to its application.

Of particular import is the question of whether Beaver Valley may discontinue water service to its customers under Stage 2 of the Tariff which reads as follows:

Stage 2 Exists When:

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as steadily declining water table, an increased draw-down threatening pump operations, or poor water production creating a reasonable belief the Company will be unable to meet anticipated water demands in the system.

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Mr. Michael Davoren
July 13, 2016
Page 2

Please note that Stage 2 of the Tariff contemplates voluntary conservation. Assuming that the conditions anticipated in sections (a) and (b) exist and given proper notice, the Company can only request that customers voluntarily employ conservation measures. Beaver Valley's Tariff does not appear to permit discontinuation of water service under Stage 2.

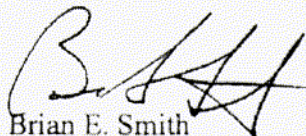
Perhaps additional facts are present which may provide a sufficient basis for mandatory water use restrictions and/or the temporary loss of water service as anticipated by the Tariff's provisions attendant to Stage 4 conditions. However, Staff has not been made aware of such circumstances. If the Company's water supply falls within Stage 2, it would appear that Beaver Valley must continue to provide water service to its customers without interruption.

It should also be pointed out that Arizona Administrative Code (A.A.C.) R14-2-403C (4) does not appear to apply in this instance. R14-2-403C (4) sets forth grounds for a water utility to refuse to establish service to a potential customer when that customer is known to be in violation of a utility's tariff or rules and regulations. R14-2-403C (4) does not apply when the utility is attempting to terminate an already established and current water service.

I hope the foregoing has brought some clarity to the provisions of Stage 2 of the Company's Tariff. If you have any questions regarding this letter, please contact me at (602) 542-3402.

Thank you for your attention.

Sincerely,



Brian E. Smith

BES:klc

cc: Thomas M. Broderick, Director of the Utilities Division
Connie Walczak, Public Utilities Consumer Program Manager
Alfonso Amezcua, Public Utilities Consumer Analyst
Thomas Tackman

WATER

STAGE

2

STAGE 2 MEANS:

- VOLUNTARILY REDUCE DAILY CONSUMPTION BY 50%
- MANDATORY ELIMINATION OF OUTSIDE WATERING

FAILURE TO COMPLY MAY RESULT IN
TEMPORARY LOSS OF WATER SERVICE

RESTRICTIONS

Beaver Valley Water Company

PO Box 421
Payson, Az 85547

928-474-5759

10 MAR 2017

Billing Date	Due Date	Account Number
3/10/2017	3/25/2017	3-11

Service Adr:	3-11	
From:	2/5/2017	853660
To:	3/7/2016	854490
Consumption:		830

Previous Balance	\$0.00
Late Payment Fee	\$0.00
3/4 meter	\$36.28

Total Taxes \$3.00

Total Amount Due \$39.28



stage 2 conservation.
NO OUTSIDE WATERING

-243309







March 22, 2017

Hi Mike,

Sorry I missed you. Here's a copy of what I found in my files. Is this what you sent to all homeowners?

If yes, can you recall the approximate date you sent this notice? I also see what I believe was included: the Curtailment Plan authorization for Beaver Valley Water, approved by the ACC.

ANSWERED

I'm concerned that you are misinterpreting the Stage 2 Restrictions. You indicate that "essential" applies only to livestock/poultry. However, the ACC notes that outside watering for "essential" items should be (not will be, not mandated) on even and odd days, and eliminating outside watering on weekends and holidays.

NOT WHAT IT SAYS! READ AGAIN!

EXPLAINED

If essential applies only to livestock/poultry, it's inconceivable that they would receive water only on even or odd days, and not receive water on weekends and holidays. In fact, even in Stage 4, there is no prohibition against watering livestock.

ANSWERED

It seems that Stage 2 does not mean that there can be "No Outside Watering," as you've noted on the latest invoice. I see no mandate or prohibition for outside watering for Stage 2, per the ACC. It is a request only.

ANSWERED

To state on the posted sign that "Failure to comply may result in temporary loss of water service" is not correct.

IS CORRECT

I understand your concern about the water situation. However, it is not right to install a sign that threatens loss of water, due to a misinterpretation of Stage 2. Rate payers expect water in exchange for the fee they pay. This kind of erroneous restriction hurts many people who have plants, flower, gardens, etc. It hurts anyone trying to sell their home and, in fact, negatively affects the value of all homes.

NOT MISINTERPRED BY ME @ ACC

I'm sure that many rate payers would be glad to comply with the request to reduce water consumption.

MOST DO! SELFISH DON'T

I will be out of town for a few weeks. If I have misunderstood the documents in any way, or if you would like to discuss this further, please call me at 602-920-2390.

MAILED TO HOME ADDRESS

Thanks Mike

Anita Christy
609 S Palomino Dr.
Payson, AZ 85541

BEAVER VALLEY WATER CUSTOMER,

In regards to the imposed water restrictions I will explain the rules of the curtailment and the reason for it.

We are in stage two . . . Restrictions include **"outside watering should be limited to essential water"**... Lawns, flowers, gardens, as well as washing of vehicles or walkways and driveways are not considered to be "essential".

Watering of livestock or poultry would be essential. Since those mentioned are against the rules in our community, we do not have that concern.

Due to our dismal lack of moisture this winter, well level is not recharging at its normal rate and as I write this (except for some drizzle) it has been more than 60 days since any measurable moisture. The river, this time of year, is fed by runoff and springs. I think we can agree there is no runoff. If you notice the river, it drops about an inch daily. That's because of slow recharge of the surrounding springs (*underground water*) that feed the river. The slow recharge has the same effect on wells (*underground water*).

Please no outside watering so I can monitor the well solely on household use.

Then, maybe, we can go to hand watering special plants. **Watering of grass and lawns will be prohibited until recharge is sufficient (stage 1).**

Refusal of service for violating curtailments is enforceable under **R14-2-403 C (4)**



TARIFF SCHEDULE

ORIGINAL

Miller

Utility: BEAVER VALLEY WATER
Docket No.: 2015
Phone No.: 928-474-5759

Tariff Sheet No.: 1 of 3
Decision No.: 100-0000
Effective: July 20, 2002

2002 JUN 20 A 1:06

CURTAILMENT PLAN FOR:

ADEQ Public Water System Number: 04-004

W-02015A-02-0458

BEAVER VALLEY WATER ("Company") is authorized to curtail water service to all customers, residential and commercial, within its certificated area under the following terms and conditions:

Stage 1 Exists When:

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as steadily declining water table, an increased draw-down threatening pump operations, or poor water production creating a reasonable belief the Company will be unable to meet anticipated water demands in the system.

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

\\JACrmy\doc\CurtailmentPlanTariff.doc

REVISED: May 21, 2002

ARIZONA CORPORATION
COMMISSION
RECEIVED
JUN 20 2002

Director of Utilities

ADMINISTRATIVELY
APPROVED FOR FILING

Rtd
6-20

TARIFF SCHEDULE

ORIGINAL

Utility: BEAVER VALLEY WATER CO.
Docket No.: 2015
Phone No.: 528-474-5759

Tariff Sheet No.: 2 of 3
Decision No.: _____
Effective: July 20, 2007

Stage 3 Exists When:

- a. Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, Company shall request the customer to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible.

Notice Requirements:

- 1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
- 2. Beginning with Stage 3, Company shall post at least two (2) signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to the major subdivision served by the Company.
- 3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect in an attempt to maintain the level at a level no greater than stage three until a permanent solution has been implemented.

Stage 4 Exists When:

- a. Company's total water storage or well production has been less than 25 percent of capacity for at least 12 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

ADMINISTRATIVELY
APPROVED FOR FILING

ORIGINAL

TARIFF SCHEDULE

Utility: BEAVER VALLEY WATER CO
Docket No.: 2015
Phone No.: 928-474-5759

Tariff Sheet No.: 3 of 3
Decision No.: _____
Effective: July 20, 2002

Restrictions: Under Stage 4, Company shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- Washing of any vehicle is prohibited
- The use of water for dust control or any outdoor cleaning uses is prohibited
- The use of drip or misting systems of any kind is prohibited
- The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- Restaurant patrons shall be served water only upon request
- Any other water intensive activity is prohibited

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Company shall post at least two (2) signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to the major subdivision served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering stage 4.

Customers who fail to comply with cessation of outdoor use provisions will be given a written notice to end all outdoor use. Failure to comply with in two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees.

Once Stage 4 has been reached, the Company must begin to augment the supply of water by continuing to hauling or through an emergency interconnect in an attempt to maintain the level at a level no greater than stage 4 until a permanent solution has been implemented.

Note: If the Company loses all well production and has no storage facilities, the Company must provide water by hauling to at least meet the minimum needs to the customers or must otherwise provide emergency drinking water for its customers.

ADMINISTRATIVELY
APPROVED FOR FILING

Anita,

Yes, that is what was delivered to you and I think it was late April or early May.

It was delivered so that people would read it and not omit or add words as you have done and others did last year. The curtailment states "outside watering should be limited to essential water". It goes on to describe dividing essential water in some uniform pattern such as odd/even days. I will break this down for you.

- 1) The word *should* means: a reasonable expectation, what is probable, used in auxiliary function to **express obligation**. (instead of using a tough word such as "shall"). Stage 4 uses tough words
- 2) The word "essential" means: of the **upmost importance; indispensable, unavoidable**. Lawns and flowers do not qualify.
- 3) The ACC, municipal, community, or privately owned water systems consider the items described in that delivered letter to be "essential".
- 4) So, as you can see, words mean things and stage 2 does restrict outside use. Since we, in this community, have nothing that meets "essential", odd/ even distribution is not considered.
- 5) There are never restrictions on livestock through stage 4. We don't have any. Not applicable.

Only someone ignorant of animal care would think to only water every other day. It would be expected, and people in the know do have sufficient containers to hold enough water so to not tax the water system on a daily basis. Water is available (same as last year) for outside use free of charge from my private pond or I will allow you to get it from the river for your watering needs since water co is no longer using my personal water rights for the system. Many have containers and I am confident could help you with your outdoor needs. Can you imagine what would happen to property values if indiscriminate outside use was allowed and we then had to truck water in? As I have described in the past, I would not include the additional water into the system for the most selfish in BV to dump on the ground. Customers would come here, with their containers, to get what they needed from a tank not connected to the system. Property values nil.

The only voluntary part of stage 2 is reduction of your normal household use. Implies nothing else. I had trouble last year with people trying to parse words in the curtailments, too. Hopefully I am running out of customers feeling the need. 99% of the community understands. Only the selfish and those who have allowed themselves to be intentionally misdirected by the DWID board are confused. DWID calls for complaints, legitimate or not, to ACC and they are active again this year attempting to mislead the customer base on stage 2. They have an agenda. **Enforcement of stage 2 meant to avoid stage 3 or worse.** Failure to comply could result in disconnect (as provided by ACC statute), exactly as the banner states. It should be noted Freedom Acres and Wonder Valley residents, voluntarily, started hauling water for their animals and eliminated outside water use at the same time I added restrictions last year. Under no obligation of ACC rules they took on responsibility themselves to conserve their well without the kind of objection experienced in this community. A good example is your letter. With the information at your fingertips (curtailment letter you included) you still misrepresented sentences and omitted parts to defend the position of what some would want stage 2 curtailments to say.

Mike, BVWC

I received this spurious piece of defamation from a neighbor of the Price family. It turned neighbor against neighbor. A. Christy

I recently had a chance to read emails on a post. I think it is important to understand who a couple of these people are. Josh and Genevieve Price for example. I am quite certain when they purchased their home in BV they were made aware of HOA rules. After reviewing the rules I am sure they read the part about no poultry. Yet they raise poultry and sell eggs. 2 years ago G Price asked if they decided to use the meter hook up on their extra lot, would I send them separate billing. I said yes and she told me she would let me know if they started using it. Never heard a word. I started reading meters in March this year and discovered the system was in use. I locked it. G Price called me and asked if I would turn it back on and start billing her when curtailments were lifted. So, she obviously knew the curtailment rules and that she was not being billed for the water they were using. The only way she would know it was off was to try to use it. It is impossible to determine the length of time or amount they were stealing because I have no meter read to start. Probably 2 years. Lot of green stuff...not much water bill last year. It is important to know G Price and friend P Walker were the meter readers during much of this time frame. I'm not insinuating anything, I'm just wondering why I never knew until I started reading meters again. Now the Prices feel the need to parse words in the curtailments in order to justify their nonessential watering and knowingly lying to their neighbors about the contents in order to fit their needs and gain sympathy from them. When I brought a few things up to Genevieve she threatened me with selling and moving. Don't let the gate hit ya. I'm sure with all the qualities described above Josh and Genevieve will be an asset to any community. You should know, the Prices dumped more water on the ground last month than both rental 4-plex buildings used combined and 4 times the use of similar family

OPEN MEETING AGENDA ITEM

ORIGINAL
COMMISSIONERS
BOB STUMP - Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH



ARIZONA CORPORATION COMMISSION

May 16, 2013

Mr. Michael Davoren
Beaver Valley Water Company
P.O. Box 421
Payson, Arizona 85547

Arizona Corporation Commission
DOCKETED
MAY 16 2013
DOCKETED BY [Signature]

Re: Docket No. W-02015A-11-0416

Dear Mr. Davoren:

This letter is in response to your April 16, 2013 complaint that certain members of the Commission Staff acted improperly concerning a customer complaint against your water company related to a billing dispute. I want you to know that the Commission takes such allegations against its Staff seriously.

On behalf of the Commission, I asked the Chief Administrative Law Judge and an Assistant Director of the Utilities Division to investigate the matters alleged in your complaint and to provide the results of their investigations to me. After reviewing the results of these investigations, I find that Staff members conducted themselves in accordance with the conduct required of all state employees as to their integrity and professionalism. Thus, I find no merit to your claims that Commission Staff members acted improperly related to the customer complaint proceedings against your water company.

Sincerely,

Jodi A. Jerich
Executive Director

RECEIVED
2013 MAY 16 P 1:58
AZ CORP COMMISSION
DOCKET CONTROL

Docketed with redacted complaint attached

Copy to Commissioners with unredacted complaint attached

Commissioners,

4/16/13

I filed this complaint in Nov. 2012. I have not received any reply either by phone or in writing. I understand a new executive director is in place and perhaps this complaint was lost in the shuffle.

Since the filing of this complaint with docket control, I have experienced more of the corruption of [REDACTED] and [REDACTED] in your consumer service dept. as follows; During a phone conversation with [REDACTED] (approx Nov 2012) I was told I could no longer include the disputed amount on Mr [REDACTED] billing. I credited the entire amount so it would not appear.

In Jan 2013, after receiving the recommendation for dismissal, Mr [REDACTED] withdrew his complaint during Open Meeting in Jan.

I then included the disputed amount back to Mr [REDACTED] billing along with a demand for payment.

This prompted another phone call from [REDACTED] (with [REDACTED] on speaker phone). [REDACTED] said "we ([REDACTED] and [REDACTED]) advised him to withdraw" since I apparently wasn't billing the amount anymore (as per [REDACTED] demand). When I asked [REDACTED] why she would give Mr [REDACTED] poor advise (or any advise) she said "We ([REDACTED] and [REDACTED]) didn't know you were going to do that", meaning reinstating the amount. After a year of dispute; what did she think?

My concern is this;

Are [REDACTED] and [REDACTED] at liberty to assist and advise customers in their complaints against a utility? Or are they using their position to strong-arm a small utility? They have attempted the strong-arm method, with [REDACTED] making up his own rules, and [REDACTED] telling me I can't, and she will not, enforce customer related rules (ie; backflow prevention). They have been using their position to assist Mr [REDACTED] nonsense for 2 years now. I had an opportunity to have a lively conversation with the legal dept (with [REDACTED] and [REDACTED] in the background) about this matter and the only response for no decision by the ALJ was "The ALJ hasn't decided whether or not to accept Mr [REDACTED] withdrawal" (as per an attorney in legal dept). The ALJ in this matter has allowed a forged letter by Mr [REDACTED] pretending to be his contractor (rebutted by his contractor), has not questioned 7 different usage claims by Mr [REDACTED] (including "0", twice, while building an all concrete and block home) and allowed him a "do over" when Mr [REDACTED] provided his own evidence (by way of attachments to his complaint) showing he was separating himself from the truth on several occasions. (ALJ advised Mr [REDACTED] not include attachs. next time)

It is 3 months since [REDACTED] withdrawal in Jan. If you were to review the transcripts of the hearing I attended, the ALJ said he would continue the case for 10 years if I wouldn't stop defending the utility (arguing, he said) and to date will not acknowledge "Mr [REDACTED] evidence was rebutted" (opinion; Director of Utilities) nor [REDACTED] withdrawal.

Is this going to continue for 10 years as this corrupt ALJ has threatened?

Ongoing for 2 years so far,


M Davoren
BVWC

Arizona Corporation Commission

Complaint Form

Utilities Division
1200 W Washington Street
Phoenix, AZ 85007
Phone: (602) 542-4251

First Name:	Last Name:	Date:
Debbie	Hoffmann	3/5/2017 4:58:39 PM

Address:
1461 N. Beaver Flat Circle

City:	State:	Zip:
Payson	AZ	85541

Phone Number:	Phone Extension:	Phone Type:
(928) 474-2230		Home

Alternate Phone Number:	Alternate Phone Extension:	Alternate Phone Type:

Email Address:
debbiendogs@aol.com

Company Name:	Account Number:
Beaver Valley Water Company, Inc.	

Summarize your complaint here:
<p>We have been at Stage 2 water restrictions since April 12, 2016. There is no way we should be held to this restriction. We have had lots and lots of rain and snow this winter. The owner of the water company, Mike Deveron, has threatened residents that if they water outside that their water will be turned off. Also, on Tuesday, Feb. 28, 2017, 10:00 am, it was raining outside, but we had no running water inside our homes for the entire community of Beaver Valley Estates. When I tried calling the water company office several times (3), there was no answer. The answering machine did not indicate why we didn't have water. I was without water for 26 hours and other residents didn't have water for longer than that. Come to find out, a pipe that the water company has for distribution of water is under the East Verde river and because of the force of the river from all of the rainfall and water coming down the Verde, the pipe broke. WHY isn't the water pipe buried deeper so this doesn't happen? Aren't there some restrictions for water pipes just like electrical wiring that need to be buried xxxx amount of feet underground? Our water company has not upgraded any filter systems and has many, many ADEQ violations. Why won't someone at the Arizona Corporation Commission step in and help us? I have called and left four messages for Alfonzo, 602-542-0842, over the last couple of weeks and have never received a call back.</p>

Arizona Corporation Commission

Complaint Form

Utilities Division
1200 W Washington Street
Phoenix, AZ 85007
Phone: (602) 542-4251

First Name:	Last Name:	Date:
Debbie	Hoffmann	3/7/2017 5:42:12 PM

Address:
1461 N. Beaver Flat Circle

City:	State:	Zip:
Payson	AZ	85541

Phone Number:	Phone Extension:	Phone Type:
(928) 474-2230		Home

Alternate Phone Number:	Alternate Phone Extension:	Alternate Phone Type:

Email Address:
debbiendogs@aol.com

Company Name:	Account Number:
Beaver Valley Water Company, Inc.	

Summarize your complaint here:
<p>As a follow-up to my Complaint Form of 3/5/17, attached are pictures I have taken regarding our Water Company. Attached is a picture of a sign posted by Mike Deveron, the owner, on the fence of the Water Company and his PERSONAL residence, which isn't zoned as a residence, but he uses it as a business and residence. Please note what he says regarding our Stage 2 -- Failure to comply may result in temporary loss of water service. Also, attached are pictures of our "wonderful" water distribution system for some of our residents. There is a "hose" type device going from the water company, hung on a tree branch, going over the East Verde River, going through the forest, then connecting to the pipes on the other side of the river. This is not how a professional company should provide service to its' residents/customers.</p> <p><i>4 pixs of water line + pix of sign</i></p>

Acc instructions:

Please make contact with customer and provide written response to acc.

This is the same letter I sent to acc. They should receive theirs in a day or two.

I didn't think you needed the photos of your yard. Not included.

Hand delivered
from Mike Burton
3/13/17
4 pm

RESPONSE TO DEBBIE HOFFMAN COMPLAINT:# 2017-139442

We have been in stage 2 conservation. BVWC is no longer a surface water system. Therefore we utilize only the well. The well is sufficient to supply the community for normal usage. It is important to understand Debbie Hoffman has only lived in this community during drought conditions. She has no idea what a normal winter is in Rim Country. We have had only 2 snowfalls. One 3 incher and one 5 and was actually slush. Combined with only 2 or 3 rain events qualify this as a very dry winter. As you can see from the photos of the Hoffman residence, unless she waters her plastic deer on a regular basis she is not affected, at all, with outside water restrictions or any part of stage 2. I haven't spoken with anyone about termination of service, let alone "threaten". Last year paperwork describing curtailments and the meaning were hand delivered to every home in the community. I also kept stage 2 restrictions on the public bulletin boards which someone kept taking down. This year I had banners (3ftx5ft) made and posted at the Water Company and different places in the community where everybody will see it. If these are threatening to her, I'm sorry. She also doesn't mention the water company made water available from my private pond for outside use. Many got 300 to 500 gal containers and took advantage of the free water for their plants. They offered their services to others, too. Since everyone lives within a quarter mile, of my property, it was easy for everybody. I'm certain your office has a copy of the letter I sent out. A copy was sent.

In my opinion, Debbie Hoffman is purposely separating herself from the truth. She says she called 3 times with no answer. Her next sentence describes a message on the answering machine. Which is it? Can't be both. If she is upset about me personally not answering the phone she only has to ask herself...Would Hoffman rather I work on the problem or answer the phone. I can't do both. It seems she is the only one who didn't understand the message that described the outage and the inability to access the other side of the flooded river that same day. Others who didn't even call got the word and knew exactly what happened as I talked to several of them while reading meters only a day later. It is important that you know Hoffman is one of dwindled supporters of the DWID. They have been instructed by the DWID board to file as many complaints as possible in order to support their agenda. My attorney has a copy of the DWID minutes where this request was made and I will provide to you, too if needed. It specifically identifies Alfonso and his phone number as their ACC contact and Hoffman is following DWID request to the letter with as many calls to Alfonso as possible.

The water main is already down to bedrock as has been in place for over 40 years. This was a very rare event.

I can't imagine what the current filtration would have to do with the water main. And I don't have any DEQ violations I am aware of.

Water level in the river is receding nicely and permanent repairs could be as early as this week or next

Regards,

Mike, BVWC

Copy:

ACC

Debbie Hoffman



Mr Tackman,

8-25-16

In response to your letter of the 23rd.

I am waiting for new checks and will reimburse you, plus some interest as soon as I receive them.

I had conference call with Connie and Brian and they acknowledged I am correct and had me send you an updated letter explaining the rules in detail, which you have chosen time and again to ignore. If you are telling me they have reversed their position I have not been informed of it, but I really doubt it and would readily be willing to discuss it again with them.

I am not claiming any verbal agreements with ACC, just the rules and the meaning of the words.

Your bold print statement "Stage 2 is voluntary" is correct, but you keep forgetting the next part where the rules specifically describe only "essential" outside watering is allowed. Words mean things. You don't have any of what is considered by ACC nor any water systems as essential. It's OK though, as I will continue to try to educate those who just can't grasp the concept. Even to the most resistant it wouldn't make sense to try to conserve in your house but then dump nearly 500% of normal use on the ground. However your continued statements defending your actions that say stage 2 is voluntary show you have no intention of complying and have no concern for the welfare of the rest of the customer base.

ACC rules allow for the utility to test meters, only. I have the approved equipment. ACC rules do not allow for any other entity to test. Let me know when you want to do it so I can arrange for accompaniment.

The steps taken to reestablish stage one was intended to be stage 2 curtailments which you and a few other customers have ignored. Just the water used by 4 of the most selfish customers unwilling to abide by curtailment rules totaled more than 100,000 gal dumped on the ground in June and again in July. If these customers were to try we might have been able to achieve Stage1 sooner.

As it has been explained to you several times, and I'll try one more time, we are no longer using surface water and haven't for some time. The fact that the mud hole outside (aka East Verde) has some water doesn't have any effect on the well. After visiting the water system on a couple of occasions you are fully aware of the 1 micron filtration was in place for surface water. The filtration you know was there, but continue to lie about to the customer base in order to fit your agenda, has been removed and we are moving to never be a surface water system again no matter the ownership. In fact the system will not be sold until it has a ground water only classification. This has all been explained to you in the past so I wonder why you keep asking.

Mike

BVWC

COMMISSIONERS
DOUG LITTLE - Chairman
BOB STUMP
BOB BURNS
TOM FORESE
ANDY TOBIN



JODI JERICH
Executive Director

ARIZONA CORPORATION COMMISSION

July 13, 2016

Mr. Michael Davoren
Beaver Valley Water Company
P.O. Box 421
Payson, AZ 85547

RE: Beaver Valley Water Curtailment Tariff

Dear Mr. Davoren:

As you are aware, it has come to the attention of the Utilities Division ("Staff") of the Arizona Corporation Commission ("Commission") that an issue has arisen between Beaver Valley Water Company ("Beaver Valley" or "Company") and certain customers regarding the interpretation and scope of the Company's Curtailment Plan ("Tariff") which became effective as a matter of law on July 20, 2002 (Docket No. W-02015A-02-0458). The purpose of this letter is to address the substance of the Tariff which will hopefully resolve any disputes pertaining to its application.

Of particular import is the question of whether Beaver Valley may discontinue water service to its customers under Stage 2 of the Tariff which reads as follows:

Stage 2 Exists When:

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as steadily declining water table, an increased draw-down threatening pump operations, or poor water production creating a reasonable belief the Company will be unable to meet anticipated water demands in the system.

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

You K
Perac to Pak
THIS PAK
YOU HAVE
X10 ESSENTIAL
OUTSIDE USE

Tom Tackman,

As you can see by your consumption you have increased normal household use by 100%. This is after your complaint to ACC and the rules being described for you. You posted the curtailment plan on bulletin boards in BV, I assumed in an attempt to help. A letter was delivered to you defining stage 2 curtailments that ask you to reduce household use by 50%, and yet you were 1 of 4 households in BV with that type of increase. One had a major leak making you 1 of 3 unwilling to help conserve. After reading your meter on a daily basis it shows outside water use on an every other day basis. As it was described to you in the letter outside use is NOT considered to be "essential" when it is used for lawns, plants, flowers, or gardens, etc. Essential would include living beings like livestock. There are customers hauling water for their outside use from the pond free of charge. Maybe you could get with one of them for your outside use too. Eventually ACC R14-2-403C(4) will have to be enforced if your current rate of outside usage continues as we have had little to no moisture in the past 5 months. After reading you meter daily, it shows your usage will increase again this month when curtailments ask that you reduce household use by 50%.

Beaver Valley Water Company

PO Box 421
Payson, Az 85547 928-474-5759

Billing Date	Due Date	Account Number
6/2/2016	6/17/2016	6-02

Service Adr: 6-02		
From:	5/4/2016	447260
To:	6/2/2016	458400
Consumption:		11140

Previous Balance	\$0.00
Late Payment Fee	\$0.00
3/4 meter	\$86.20

Total Taxes	\$7.11
Total Amount Due	\$93.31

stage 2 conservation.
NO OUTSIDE WATERING

*NORMAL USE - 3000gal - 4000gal.
DURING NOW WATERING MONTHS.*



Please Return This Portion With Payment

Billing Date	Account Number	Amount Due
6/2/2016	6-02	\$93.31

TACKMAN TOM
200 N OLD TOWN DR
PAYSON AZ 85541

THIS WAS SENT TO YOU
AT THE REQUEST OF BRIAN - AFTER

BEAVER VALLEY WATER CO
PO BOX 421
PAYSON AZ 85547

HIS LETTER OF 6-13
BRIAN & CONNIE ACKNOWLEDGE I
AM CORRECT IN DEFINITION.

MR TACKMAN,
As you are well aware, we in Beaver Valley have been on stage 2 restrictions for several months. During this time you have been made aware of the rules by me twice and ACC once yet you continue to try to parse words to your benefit in order to justify your non-essential outside water use. ACC suggested I try one more time before you are inconvenienced by service interruption.

While I know stage 2 restrictions include voluntary reduction of normal use, the rules clearly state outside use is restricted to essential use only. In other words this utility does not dictate how many showers you take or how often you flush your toilet, etc as these activities are totally voluntary. However, the letter hand delivered to you clearly defined watering of lawns, flowers, driveways, sidewalks, etc as nonessential (as defined by ACC and virtually all water systems) which is restricted. Curtailment tariff was also hand delivered to you.

It is well known in the community that water from either the pond or river is available for nonessential outside water use free of charge. If you do not have means to get the water I am confident someone in the community already taking advantage of this would help you out.

Rule R14-2-410-b-1(4) supports the utility as far as termination. R14-2-410-B-2 supports rule R14-2-403C-1(4) as far as restoration of service. Unfortunately service would not be restored until sufficient rainfall when I know you would not water outside (supported by R14-2-410B-2).

I hope you will reconsider your position on the importance of watering trees as opposed to the welfare of the community and participate in curtailments like most in community are before you are inconvenienced with termination.

In closing I would ask that you cease giving the customer base invalid information. It would be a shame if someone's service was terminated due to your incorrect advice and your personal interpretation of curtailment rules

Mike Davoren
BVWC

THIS WAS SENT TO
YOU
BRIAN'S
6-18 AT
REQUEST - YOU
NEVER MENTION
THIS ONE

2. The outgoing party shall be responsible for all utility services provided and/or consumed up to the scheduled turn-off date.

Historical Note

Adopted eff. Mar. 2, 1982 (Supp. 82-2). Amended Subsection C. eff. Sept. 28, 1982 (Supp. 82-5).

R 14-2-410: Termination of service

- B-14 1 & 2*
- A. Nonpermissible reasons to disconnect service**
1. A utility may not disconnect service for any of the reasons stated below:
 - a. Delinquency in payment for services rendered to a prior customer at the premises where service is being provided, except in the instance where the prior customer continues to reside on the premises.
 - b. Failure of the customer to pay for services or equipment which are not regulated by the Commission.
 - c. Nonpayment of a bill related to another class of service.
 - d. Failure to pay for a bill to correct a previous underbilling due to an inaccurate meter or meter failure if the customer agrees to pay over a reasonable period of time.
- B. Termination of service without notice**
1. Utility service may be disconnected without advance written notice under the following conditions:
 - a. The existence of an obvious hazard to the safety or health of the consumer or the general population.
 - b. The utility has evidence of meter tampering or fraud.
 - c. Unauthorized resale or use of utility services.
 - d. Failure of a customer to comply with the curtailment procedures imposed by a utility during supply shortages.
 2. The utility shall not be required to restore service until the conditions which resulted in the termination have been corrected to the satisfaction of the utility.
 3. Each utility shall maintain a record of all terminations of service without notice. This record shall be maintained for a minimum of one (1) year and shall be available for inspection by the Commission.
- C. Termination of service with notice**
1. A utility may disconnect service to any customer for any reason stated below provided the utility has met the notice requirements established by the Commission:
 - a. Customer violation of any of the utility's tariffs filed with the Commission and/or violation of the Commission's Rules and Regulations.
 - b. Failure of the customer to pay a delinquent bill for utility service.
 - c. Failure to meet or maintain the utility's credit and deposit requirements.
 - d. Failure of the customer to provide the utility reasonable access to its equipment and property.

3. Interest on deposits shall be calculated annually at an interest rate filed by the utility and approved by the Commission in a tariff proceeding. In the absence of such, the interest rate shall be 6%.
 4. Interest shall be credited to the customer's bill annually.
 5. Residential deposits shall be refunded within thirty (30) days after:
 - a. Twelve (12) consecutive months of service without being delinquent in the payment of utility bills provided the utility may reestablish the deposit if the customer becomes delinquent in the payment of bills two (2) or more times within a twelve (12) consecutive month period.
 - b. Upon discontinuance of service when the customer has paid all outstanding amounts due the utility.
 6. A separate deposit may be required for each meter installed.
 7. The amount of a deposit required by the utility shall be determined according to the following terms:
 - a. Residential customer deposits shall not exceed two times the average residential class bill as evidenced by the utility's most recent annual report filed with the Commission.
 - b. Nonresidential customer deposits shall not exceed two and one-half times that customer's estimated maximum monthly bill.
 - c. The utility may review the customer's usage after service has been connected and adjust the deposit amount based upon the customer's actual usage.
 8. Upon discontinuance of service, the deposit may be applied by the utility toward settlement of the customer's bill.
- C. Grounds for refusal of service**
1. A utility may refuse to establish service if any of the following conditions exist:
 - a. The applicant has an outstanding amount due for the same class of utility service with the utility and the applicant is unwilling to make arrangements with the utility for payment.
 - b. A condition exists which in the utility's judgment is unsafe or hazardous to the applicant, the general population, or the utility's personnel or facilities.
 - c. Refusal by the applicant to provide the utility with a deposit.
 - d. Customer is known to be in violation of the utility's tariffs filed with the Commission or of the Commission's Rules and Regulations.
 - e. Failure of the customer to furnish such funds, service, equipment, and/or rights-of-way necessary to serve the customer and which have been specified by the utility as a condition for providing service.
 - f. Applicant falsifies his or her identity for the purpose of obtaining service.
- D. Service establishments, reestablishments or reconnection charge**
1. A utility may make a charge as approved by the Commission for the establishment, reestablishment, or reconnection of utility services.
 2. Should service be established during a period other than regular working hours at the customer's request, the customer may be required to pay an after-hour charge for the service connection. Where the utility scheduling will not permit service

BEAVER VALLEY WATER CO
PO BOX 421
PAYSON AZ 85547

MR TACKMAN,

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Mike Davoren
BVWC

Complaint Number: 2016 - 130298

Priority: Respond within 5 business days

Complaint Codes: Other - Company Policy/ Procedures

Closed Date:

First Name: Thomas

Last Name: Tackman

Account Name: Thomas Tackman

Address: 200 N. Old Town Dr

City: Payson

State: AZ

Zip Code: 85541

Cell: (480) 254-6315

Email: thomtackman@live.com

Company: Beaver Valley Water Company, Inc.

Division: Water

Michael Davoren

(928) 474-5759

Nature Of Complaint

The Beaver Valley Water Company has posted signs in the community that outside water usage must be discontinued or the water service will be disconnected immediately. The notice cites 2002 ACC requirements.

- 1. What is the proper notification from the Utility to the customer? *HAND DELIVERY*
- 2. Has Beaver Valley Water Company the legal right to disconnect a residential water service if they are not in Stage 4? *YES - STAGE 2 RESTRICTIONS R4-2-400 C.A.*
- 3. Has Beaver Valley Water Co notified the ACC of it's intent to curtail water usage? *YES*
- 4. Beaver Valley Water Company has not issued an annual report to the ACC for many years. What steps is the ACC taking to bring the Beaver Valley Water Co. into compliance? *CURRENT*
- 5. What legal rights do I have through the ACC as a consumer of the Beaver Valley Water Co to demand proper notification of water curtailment and notification of what stage of water curtailment is issued (Stage 1 through Stage 4) *LETTER STATED STAGE 2*

Sincerely,

Thom Tackman

Grade 4 Arizona Certified Water Operator OP 004023

- What is the status of the water system? *STAGE 2*
- When are the signs coming down? *1 WEEK AGO*
- When and how where the customers notified? *HAND DELIVER TO SERVICE ADDRESS 5-4-16*

Mr. Michael Davoren
Beaver Valley Water Company
P.O. Box 421
Payson, AZ 85547

New Info

RE: Beaver Valley Water Curtailment Notice

AS OF 3:30 PM 7-18-16 IT HAS BEEN DETERMINED THIS LETTER POSTED BY TOM TACKMAN IS INACCURATE BY THE HEAD OF CONSUMER SERVICES AT ACC AND ACC LEGAL DEPT.

STAGE 2 WATER RESTRICTIONS CLEARLY RESTRICTS NON ESSENTIAL OUTSIDE WATER USE.

DO NOT LISTEN TO ADVICE FROM CUSTOMERS THAT THINK THEY KNOW BETTER. THEY DO NOT AND COULD CERTAINLY CAUSE INTERRUPTION OF SERVICE FOR VIOLATING CURTAILMENTS

STAGE 2 NONESSENTIAL WATER USE RULES WILL BE ENFORCED UNDER R14-2-410-B-1-(4) & 2 AND R14-2-403-C-1(4)

*New
INFO*

THE COMMISSION ASKED THAT I (FOR THE 3RD TIME) NOTIFY THE TACKMANS ONE MORE TIME WITH A ... DOCUMENTS BEFORE THEY THEMSEL

Note - attached is a sample
of Photos.

May 21, 2017

Hi Mike,

I wanted to let you know of instances of very low/nonexistent water pressure that we've been experiencing. It's something I only started documenting in early May. It seemed to me that you would want to know, because it might help you assess the water supply.

May 6: I had barely enough water flow to take a shower. In fact, after putting crème rinse on my hair, there wasn't enough water to get it out.

May 7: My clothes washer started buzzing, so I turned it off. My husband Chris and I tried to figure out what was wrong. Finally, we turned on the kitchen faucet. There was no water coming from it. I waited about 30 minutes to restart the washing machine.

May 9: I was able to take a complete shower, although the water pressure was low.

May 14: I was able to do 2 complete loads of laundry, although it was very slow because it took about an hour for each load, due to the slowness of filling the machine with water.

Chris and I decided it would be impossible for us to do more than one thing at a time that required water. Thus, if the washing machine is going, we don't take a shower. We don't take our showers simultaneously.

May 15: Trickle of water from kitchen faucet; tried again in 10 minutes and it was flowing.

May 16: Trickle of water from Kitchen faucet. After 1 hour, still a trickle. Sometime later (I didn't document the time), it was ok.

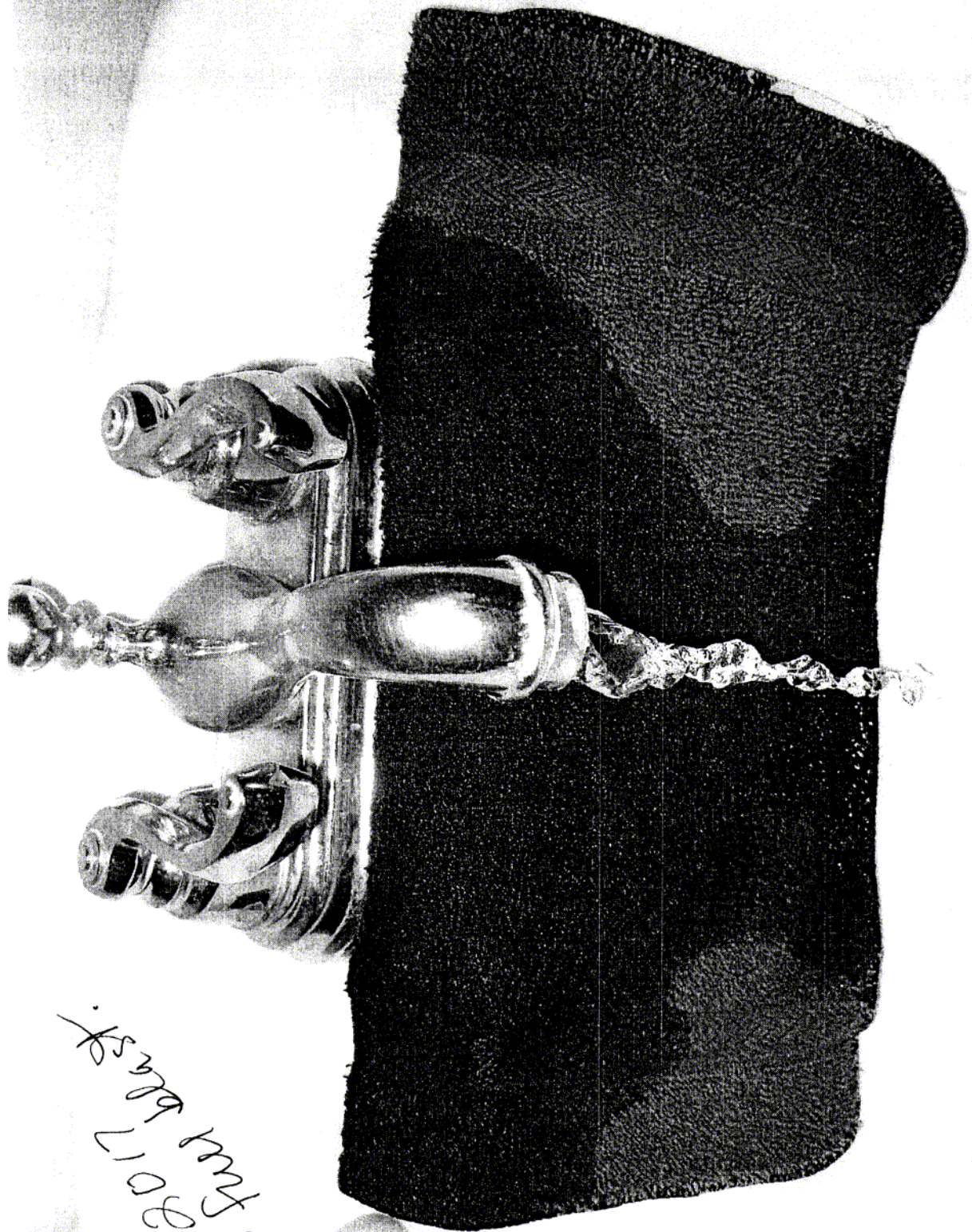
May 19: Trickle of water from shower. Tried again in 10 minutes; it was ok.

May 21: Most of my shower was a trickle of water. Toward the end, I had more pressure.

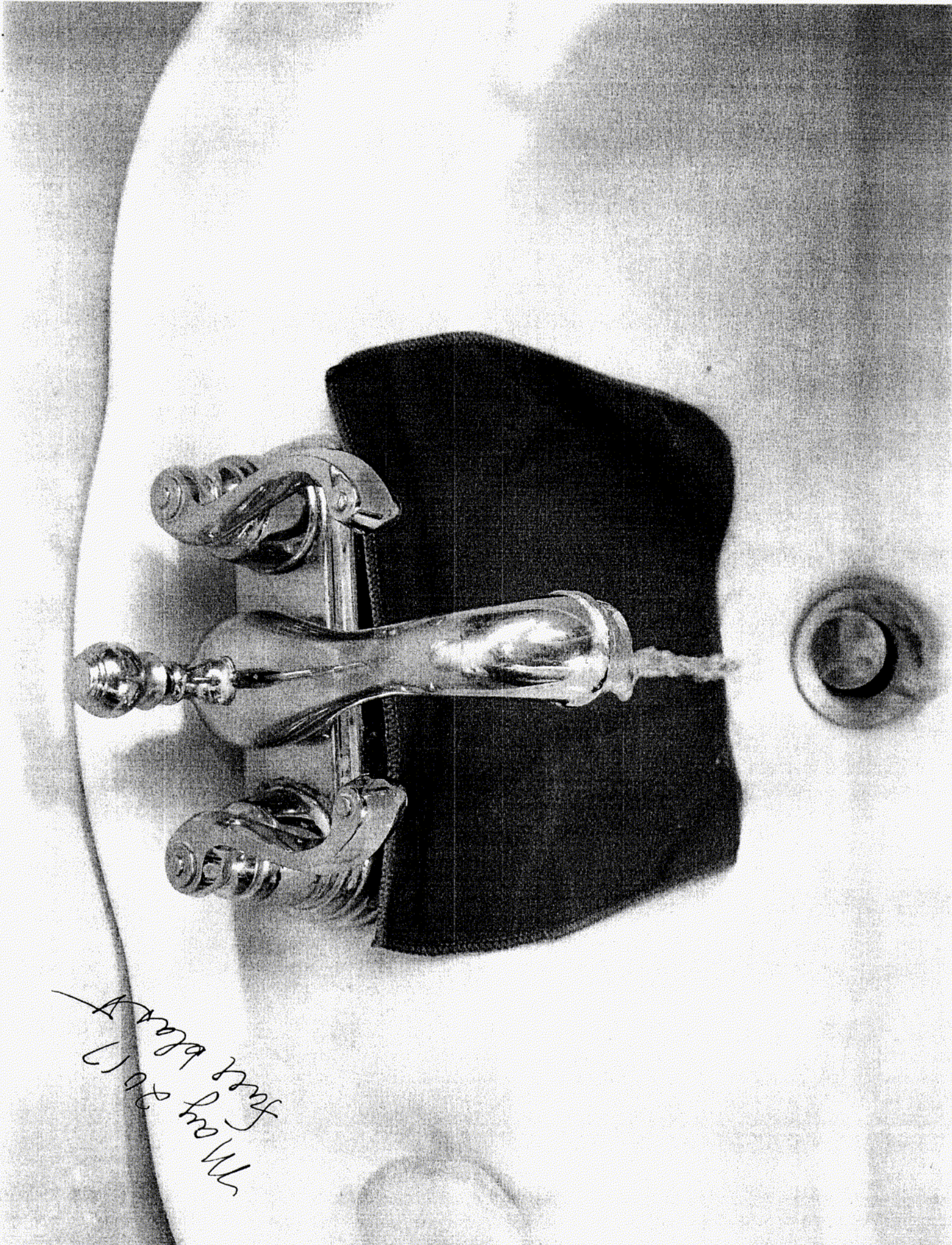
I have spoken with several of my neighbors, at lower and higher elevations, who report the same kinds of problems. One neighbor is at a higher elevation than me, and she has the additional problem of turning on her shower, only to be greeted by loud, forceful sputtering before the water trickles out. Another couple, here on a part-time basis, at a lower elevation, reported low water pressure issues.

Hopefully, you can do something soon to provide an adequate supply of potable water at a reasonable price. Thank you.

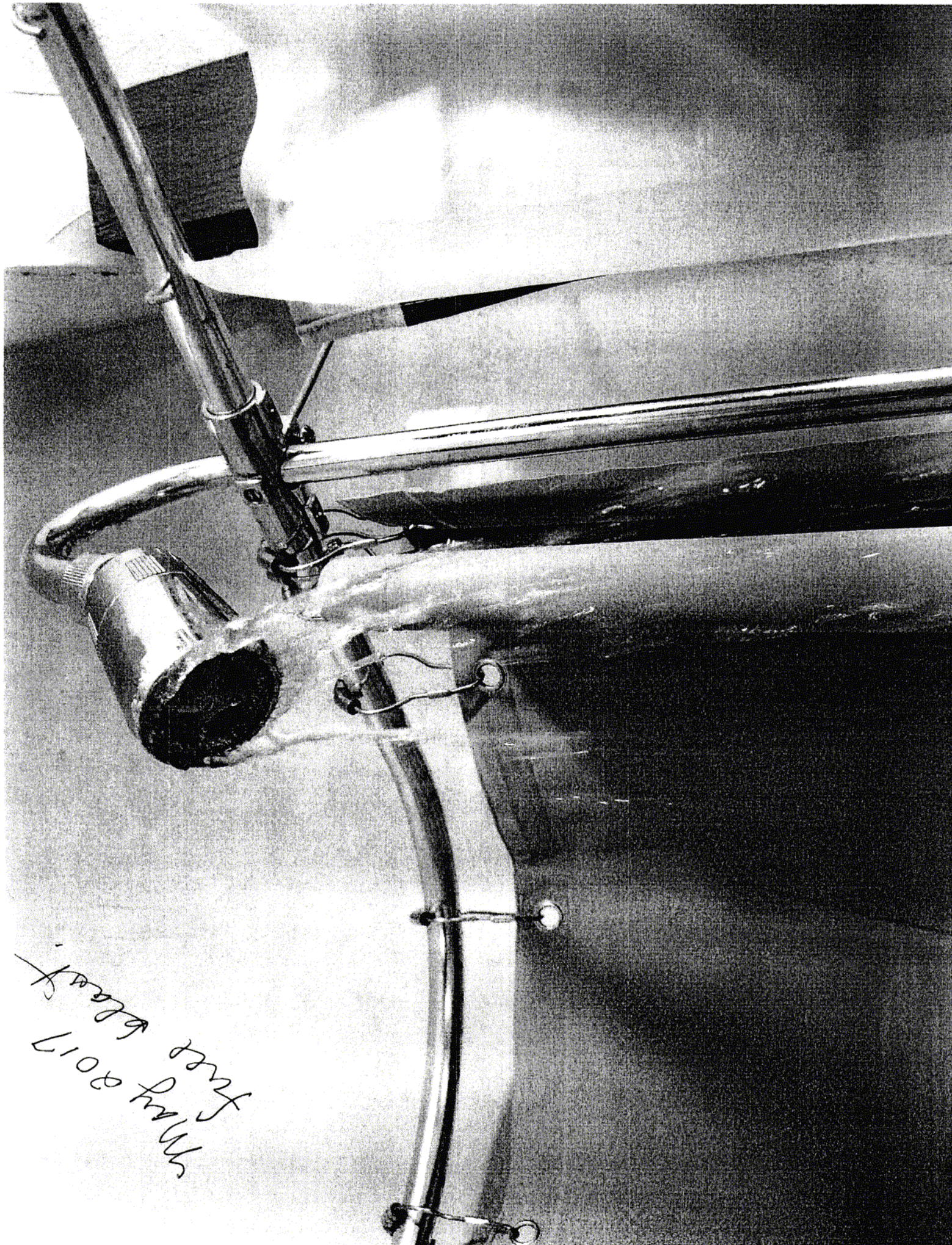
Anita Christy
609 S Palomino Dr.



2017
Hunt for
blast.



May 20 17
face black



May 2017
Fence break

5/23/17
Fuel blast

