



**BEFORE THE DIRECTOR OF THE
ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY**

In the Matter of:

Johnson Utilities located at 968 E Hunt Hwy,
San Tan Valley, Pinal, Arizona

Public Water System: AZ0411-128

) **COMPLIANCE ORDER WITH CIVIL
ADMINISTRATIVE PENALTY**

) **Docket No. DW-04-18**

To: Gary Drummond in his capacity as manager of Johnson Utilities located at 968 E Hunt Hwy, Queen Creek, Pinal, Arizona.

RECITALS

The Director of the Arizona Department of Environmental Quality (ADEQ) has determined that Johnson Utilities is in violation of the Arizona Revised Statutes (A.R.S.) or the rules adopted pursuant to the A.R.S. As a result, the Director is issuing this Order requiring compliance within a reasonable time and imposing a civil administrative penalty, as described below.

I. AUTHORITY

The Director is authorized to issue this Order pursuant to A.R.S. § 49-354.

II. NATURE OF VIOLATION(S)

The Director has reason to believe that Johnson Utilities has violated the following provisions set forth in the A.R.S., or the Arizona Administrative Code (A.A.C.):

A. A.A.C. R18-5-502(B)

Failure to maintain a pressure of at least 20 pounds per square inch at ground level at all points in the potable water distribution system under all conditions of flow.

Between May 17 and June 4, 2018, ADEQ received 59 low water pressure complaints in the Johnson Utilities Service area, PWS # AZ0411128. In response, ADEQ contacted Johnson Utilities and conducted a complaint investigation. As part of the complaint investigation, ADEQ installed eight water pressure data loggers at customers' homes within Johnson Utilities distribution system.

1 Data loggers were installed at complainants' homes, as well as neighbors of the complainants. Data
2 from three pressure data loggers indicated results below 20 pounds per square inch (psi) from
3 several hours to multiple days. A data logger placed in the Johnson Ranch portion of the
4 distribution system recorded readings ranging from 7 psi to 20 psi from midday on May 30, 2018
5 through midday on June 2, 2018. A data logger placed in the southern region of Johnson Ranch
6 recorded readings ranging from 14 psi to 18 psi from midnight on May 31, 2018 through midday
7 on June 1, 2018. A data logger in the Magma Ranch portion of the distribution system recorded
8 readings ranging from 9 psi to 20 psi during the morning of May 25, 2018 and again between the
9 morning of May 28, 2018 and midday on May 31, 2018 when the data logger was removed.

10 **B. A.A.C. R18-4-204**

11 **Failure of a community water system to implement the Emergency Operations Plan in the**
12 **event of an emergency situation.**

13 Upon ADEQ review, Johnson Utilities did not implement the January 2016 Emergency Response
14 Plan, as outlined in Appendices B - Critical Parts Inventory, and C - Emergency Operating
15 Procedures, in response to the emergency situation that occurred between May 29, 2018 and June
16 4, 2018.

- 17 a. *Appendix B, Bullet #2, "Should any essential part no longer be available within 8*
18 *hours, the part will be ordered and kept at the office."*

19 The replacement submersible pump for the failed Hardison Well pump was not
20 readily available within the 8 hour window.

- 21 b. *Appendix C, Section 1, Bullet #1, "...implement repair procedures within 24 hours."*

22 The Hardison Well failure occurred 5/29/18, repairs were not conducted until
23 6/1/18. Repair procedures were not implemented within 24 hours.

- 24 c. *Appendix C, Bullet #2, "If JUC determines that the alternate water supply and*
25 *storage availability cannot adequately supply that season's average daily usage for*
48 hours, the Utility will establish a water hauling schedule..."

Johnson Utilities did not establish a water hauling schedule to adequately supply the season's average daily water demand.

- d. *Appendix C, Section 2, Bullet #1, "In the event the component cannot be repaired/replaced within 24 hours, emergency measures will be implemented and water transported from another unaffected part of the water system to supply customers."*

The replacement submersible pump for the failed pump at Hardison Well was not repaired within 24 hours. Emergency measures for transporting water from another unaffected part of the water system were not implemented.

III. TIME FOR COMPLIANCE

IT IS ORDERED that Johnson Utilities achieve compliance by taking the specific actions set forth below:

- A. Within 24 hours of receipt of this Notice submit documentation that a pressure of at least 20 psi is currently being maintained at ground level at all points in the potable water distribution system under all conditions of flow.
- B. Within 24 hours of receipt of this Notice implement the Emergency Operations Plan in accordance with A.A.C. R18-4-204(C).

IV. CIVIL ADMINISTRATIVE PENALTY

After performing the appropriate calculations pursuant to A.R.S. § 49-354(C), and upon consideration of all the factors outlined in A.R.S. § 49-354(D), ADEQ is hereby imposing a civil administrative penalty in the amount of \$10,000. Payment shall be made within 30 calendar days of the effective date of this Order by cashier's check made payable to "Arizona Department of Environmental Quality" and shall be hand-delivered or mailed post marked prior to the due date, postage prepaid to:

Arizona Department of Environmental Quality

1 Attention: Accounts Receivable
2 P.O. Box 18228
3 Phoenix, Arizona 85005-8228

4 Payment shall be made with a letter tendering the check. The letter shall identify this case by the
5 docket number. A copy of the letter and the check shall also be sent to ADEQ's Water Quality
6 Division as described in Section VII (Correspondence).

7 **V. RIGHT TO HEARING AND INFORMAL SETTLEMENT CONFERENCE**

8 A. Johnson Utilities has a right to a hearing before an administrative law judge to
9 contest this Order, provided that a notice of appeal or request for hearing is made within thirty (30)
10 calendar days of receipt of this Order. A notice of appeal or request for hearing must be in writing
11 and must specifically identify those portions of this Order which are contested.

12 B. Johnson Utilities has a right to request an informal settlement conference pursuant
13 to A.R.S. § 41-1092.06, provided there has been a timely request for hearing. A request for an
14 informal settlement conference must be filed with ADEQ no later than twenty (20) calendar days
15 before the hearing.

16 C. All notices of appeal, requests for hearing, and requests for an informal settlement
17 conference must be submitted to ADEQ in writing at the following address:

18 Arizona Department of Environmental Quality
19 Office of Administrative Counsel
20 Attention: Hearing Administrator
21 1110 West Washington Street
22 Phoenix, Arizona 85007-2935

23 **VI. ENFORCEMENT OF ORDER**

24 This Order becomes final and enforceable in superior court within thirty (30) calendar days of
25 receipt, unless a hearing is properly requested as set forth above. As a result, the effective date of
this Order is thirty (30) calendar days from the date of receipt, or if this Order is appealed as set
forth above, the date that Johnson Utilities receives the Director's final decision on the appeal.

1 **VII. CORRESPONDENCE**

2 All invoices, photographs, logs, laboratory analyses, sealed engineering plans, technical drawings,
3 permits or any other document(s) necessary to establish compliance or required by this Order must
4 be mailed or hand delivered to the following address:


5 Arizona Department of Environmental Quality
6 Water Quality Division
7 Attention: Andrew Frost
8 1110 West Washington Street
9 Phoenix, Arizona 85007-2935
10 Telephone: 602.771.3955
11 Email: frost.andrew@azdeq.gov

12 Any such correspondence shall be deemed submitted when received by the ADEQ at the above
13 address.

14 **VIII. RESERVATION OF RIGHTS**

15 By issuing this Order the Arizona Department of Environmental Quality does not waive its right
16 to seek appropriate penalties or injunctive relief in superior court for violations of the Arizona
17 Revised Statutes, or any rule, permit or order promulgated or issued thereunder, or any other
18 applicable environmental statute or legal authority.

19 ISSUED this 2nd day of July, 2018.

20 
21 Trevor Baggione, Director
22 Water Quality Division
23 Arizona Department of Environmental Quality
24
25

1 **ORIGINAL** of the foregoing Compliance Order was sent certified mail, return receipt requested,
this 2nd day of July, 2018, to:

2 Statutory Agent
3 Gary Drummond
4 4747 N 7th Street, Ste 402
Phoenix, AZ 85014

5 **COPY** of the foregoing Compliance Order was sent certified mail, return receipt requested,
this 2nd day of July, 2018.

6 Brad Cole
7 5310 E. Shea Boulevard Suite 2
8 Scottsdale, AZ 85254

9 **COPY** of the foregoing Compliance Order was filed this 2nd day of July, 2018, with:

10 Arizona Department of Environmental Quality
11 Office of Administrative Counsel
12 Attention: Hearing Administrator
1110 West Washington Street
Phoenix, Arizona 85007-2935

13 **COPIES** of the foregoing Compliance Order were sent by regular/interdepartmental mail, this 2nd
day of July, 2018, to the following:

14 Tamara Huddleston, Chief Counsel, Environmental Enforcement Unit
15 Office of the Attorney General
1275 West Washington Street
Phoenix, AZ 85007

16 Jason Bobko, Unit Manager, Drinking Water Inspections & Compliance Unit
17 Andrew Frost, Inspector & Compliance Officer, Drinking Water Inspections & Compliance Unit

18 Tom Schryer, Director
19 Pinal County Health Department
P.O. Box 2945, Florence, AZ 85132

20 Eli Abinah, Director, Utilities Division
21 Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

22 Christopher Chen
23 US EPA Regional Office IX
24 Enforcement Division
SDW A/FIFRA Section
300 Ala Moana Blvd., #5-152
25 Honolulu, HI 96850