



Douglas A. Ducey
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY



Misael Cabrera
Director

CERTIFIED MAIL

Return Receipt Requested

70080150 0001 6407 3969
June 18, 2018

FILE

Johnson Utilities, LLC
Attention: Gary A. Drummond
5230 E Shea Blvd, Ste 200
Scottsdale, AZ 85254

Case ID #: 176139

Re: Notice of Violation issued to Johnson Utilities, LLC

Dear Mr. Drummond:

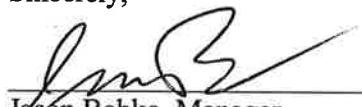
This letter constitutes the monthly update on the status of Arizona Department of Environmental Quality ("ADEQ") action resulting from ADEQ's complaint response inspection of the above-referenced site on June 5, 2018, as required by A.R.S. § 41-1009(I).

The attached Notice of Violation ("NOV") is an informal compliance assurance tool used by ADEQ to put a responsible party (such as a facility owner or operator) on notice that the Department believes a violation of an environmental requirement has occurred. It describes the facts known to ADEQ at the time of issuance and cites the requirement that ADEQ believes the party has violated.

Although ADEQ has the authority to issue appealable administrative orders compelling compliance, an NOV has no such force or effect. Rather, an NOV provides the responsible party an opportunity to do any of the following before ADEQ takes formal enforcement action: (1) meet with ADEQ and discuss the facts surrounding the violation, (2) demonstrate to ADEQ that no violation has occurred, or (3) document that the violation has been corrected.

ADEQ reserves the right to take a formal enforcement action, such as issuing an administrative order or filing a civil lawsuit, regardless of whether the Department has issued an NOV. Neither ADEQ's issuance of an NOV nor its failure to do so precludes the Department from pursuing these remedies. However, the timeliness of a complete response to this notice will be considered by ADEQ in determining if and how to pursue such remedies.

Sincerely,


Jason Bobko, Manager
Drinking Water Inspections & Compliance
DWI-378

CC: Chris Reimus, Assistant Director
Environmental Health Services
971 N. Jason Lopez Cr, Bldg D, Florence, AZ 85132
DWI-11-128

Enclosure: ADEQ Notice of Violation Case ID 176139



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Case ID #: 176139

June 18, 2018

Johnson Utilities, LLC
Attention: Gary A. Drummond
5230 E Shea Blvd
Ste 200
Scottsdale, AZ 85254

Subject: Johnson Utilities, Place ID 18613
968 E Hunt Hwy / Queen Creek, AZ 85143

NOTICE OF VIOLATION

The Arizona Department of Environmental Quality (ADEQ) has reason to believe that Johnson Utilities, LLC as the owner/operator of Johnson Utilities has violated a requirement of the Arizona Revised Statutes (A.R.S.), a rule within the Arizona Administrative Code (A.A.C.), or an applicable permit/license, administrative order or civil judgment. ADEQ discovered the violations alleged below during a complaint response inspection completed on June 05, 2018.

I. LEGAL AUTHORITY and NATURE OF ALLEGED SIGNIFICANT VIOLATION(S)

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

II. LEGAL AUTHORITY and NATURE OF OTHER ALLEGED VIOLATION(S)

Main Office

1110 W Washington Street • Phoenix, AZ 85007
(602) 771-2300

Southern Regional Office

400 W Congress Street • Suite 433 • Tucson, AZ 85701
(520) 628-6733

www.azdeq.gov

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1. A.A.C. R18-4-204(C)

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

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

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

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

In Appendix C, Section 1, Bullet #1, "...implement repair procedures within 24 hours." The Hardison Well failure occurred 5/29/18, repairs were not conducted until 6/1/18. Repairs were not implemented within 24 hours.

Under Bullet #2, "If JUC determines that the alternate water supply and 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.

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

III. DOCUMENTING COMPLIANCE

1. Within 45 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or a certified statement of review of Johnson Utilities distribution system engineering design plans by a Professional Engineer registered in the State of Arizona. The certified review should ensure that:

1. The water system will maintain a recommended pressure of at least 35 psi, but at least 20 psi, as required, at ground level at all points in the distribution system under all conditions of flow. ADEQ recommends submitting pressure readings from Revised Total Coliform Microbiological Sample Siting Plan designated locations. The water system should submit a total of 10 readings per week, from a representative cross-section of the distribution system, for a minimum of one month, or until consistent, compliant, pressure readings are established.

2. minimum storage capacity shall be equal to the average daily demand during the peak month of the year,
 3. the water system will meet peak water demand in the event of a loss of source, while maintaining fire protection requirements
2. Within 30 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or an updated Emergency Operations Plan that includes:
1. A section detailing how to respond to a collapse of a reservoir, reservoir roof, or pumphouse structure.
 2. An up-to-date page detailing staff training in emergency response procedures. Employee names should be listed and space provided for them to sign-off after receiving training.
 3. Updated emergency response procedures.
 4. Current ADEQ contact information.
 5. Identify critical components inventory and provide documentation to ensure that identified equipment has been purchased or an agreement that identified equipment is readily available to Johnson Utilities. Documentation will include receipts, contracts, and an inventory list specifically identifying critical equipment.

IV. SUBMITTING COMPLIANCE DOCUMENTATION

Please send all compliance documentation and any other written correspondence regarding this Notice to ADEQ at the following address:

Arizona Department of Environmental Quality, Attention: Andrew Frost, DW | Inspections & Compliance, 1110 W Washington St, Phoenix, AZ 85007 MC: N/A

V. STATEMENT OF CONSEQUENCES

Significant Violations

1. The time frames within this Notice for achieving and documenting compliance for the violation(s) alleged in Section I of this Notice are firm limits. Failure to achieve or document compliance for the violation(s) alleged in Section I of this Notice within the time frames established in this Notice will result in an administrative compliance order or civil action requiring compliance within a reasonable time frame, substantial civil penalties, and/or the suspension or revocation of an applicable permit/license. ADEQ will agree to extend the time frames for achieving and documenting compliance for the violation(s) alleged in Section I of this Notice only in a compliance schedule negotiated in the context of an administrative

consent order or civil consent judgment.

2. Achieving compliance does not preclude ADEQ from seeking civil penalties, and/or suspending or revoking an applicable permit/license for the violation(s) alleged in Section I of this Notice as allowed by law.

Other Violations

3. ADEQ may take any enforcement action authorized by law for the violation(s) alleged in Section II of this Notice, if the violation(s) are not corrected, or if ADEQ determines that the violation(s) have not been corrected in the time frames within this Notice.

VI. OFFER TO MEET

ADEQ is willing to meet regarding this Notice. To obtain additional information about this Notice or to schedule a meeting to discuss this Notice, please contact Andrew Frost at (602) 771-3955.



Jason Bobko, Manager
DW | Inspections & Compliance

Andrew Frost
DW | Inspections & Compliance