



Douglas A. Ducey
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY



Misael Cabrera
Director

CERTIFIED MAIL
Return Receipt Requested

Case ID #: 173777

February 27, 2018

Johnson Utilities, LLC
Attention: Brad Cole
5230 E Shea Blvd
Ste 200
Scottsdale, AZ 85254

Subject: Johnson Utilities Section 11- Wwtp, Place ID 142
5452 E Hunt Hwy / Queen Creek, AZ 85132

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 Section 11- Wwtp 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 an inspection completed on January 25, 2018.

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

1. **Permit - 103081 - Section 2.2.4 Operational Requirements**

The permittee shall maintain a copy of the up-to-date operations and maintenance manual at the Wastewater Treatment Plant (WWTP) at all times; the manual shall be available upon request during inspections by ADEQ personnel.

At the time of inspection, ADEQ requested to review the Operations and Maintenance Manual (O&M) for Section 11 WWTP. The operators were unable to provide hard copies and according to Jed Lant, Section 11 WWTP Operator, the copies are available electronically. However at the time of inspection, the O&M manual was not accessible for review because a new computer was being installed.

2. **Permit - 103081 - Section 2.3.3 Discharge Limitations**

The permittee shall operate and maintain all permitted facilities to prevent unauthorized discharges pursuant to A.R.S. § 49-201(12) resulting from failure or bypassing of applicable BADCT.

At the time of inspection, ADEQ observed the following evidence of unauthorized discharges:

1. Effluent from Recharge Basin #4 was overflowing at the northwest corner. The minimum freeboard requirement of 2 feet was not maintained in Recharge Basin #4.
2. Recharge Basin #5 was observed with saturated soils outside of the basin limits, indicating previous overflow.
3. Effluent from Recharge Basin #7 was observed overflowing at the southeast corner

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towards a wash identified as a stormwater detention basin. The minimum freeboard requirement of 2 feet was not maintained in Recharge Basin #5.

Jed Lant, Section 11 WWTP Operator, did not know the quantity of effluent that overflowed to the stormwater detention basin. He stated Section 11 WWTP is not sending enough effluent to reclaim end users, which caused overflowing of the recharge basins. This is due to lower demand by reclaim end users during the winter season. No corrective actions were implemented to stop and clean up the unauthorized discharge.

This violation is a repeat violation from the Notice of Violation (NOV) issued by ADEQ on May 11, 2015. ADEQ inspectors observed effluent pooling on the southeast corner of the facility during the March 6, 2015 inspection. The May 11, 2015 NOV cited an unauthorized discharge.

The NOV was closed after Johnson Utilities, LLC responded on July 21, 2015. The response included employee training assuring operators were aware of the effluent disposal rules. In 2015 modifications were made to the Operators Standard Operating Procedures (SOP) to avoid future unauthorized discharges.

3. **Permit - 103081 - Sect 2.6.2.1 Exceeding of Performance Levels for Operational Conditions**

If an operational performance level (PL) set in Section 4.2, Table III has been exceeded the permittee shall notify the ADEQ Groundwater Section within 5 days of becoming aware of the exceedance and within 30 days after becoming aware of the exceedance the permittee shall submit a written report to the ADEQ Groundwater Section.

Section 11 WWTP failed to notify ADEQ within 5 days of becoming aware of not maintaining the operational performance level of two feet for freeboard, set for the recharge basins. ADEQ did not receive a written report within 30 days after becoming aware of not maintaining the operational performance level of two feet for freeboard set for the recharge basins. According to Jed Lant, Section 11 WWTP, he did not know the 5 day notification and 30 day report were required as part of the permit.

This violation is a repeat violation from the NOV issued by ADEQ on January 13, 2017. The NOV cited Johnson Utilities, LLC for failure to report and take action to resolve the discharge limit violations found during the December 14, 2016 inspection, as required in Section 2.7.3.

4. **Permit - 103081 - Section 2.6.5 Emergency Response for Unauthorized Discharges**

In the event of any unauthorized discharge pursuant to A.R.S. § 49-201(12) of non-hazardous materials from the facility, the permittee shall promptly attempt to cease the discharge and isolate the discharged material. Discharged material shall be removed and the site cleaned up as soon as possible.

At the time of inspection, ADEQ observed effluent overflowing from Recharge Basin #7 into the stormwater detention basin. Jed Lant, Section 11 WWTP Operator stated that no corrective action was implemented or planned to stop discharge to the stormwater detention basin. On February 1st, 2018, in a telephone conversation with ADEQ, Jed Lant, WWTP

Operator, stated the overflow at Recharge Basin #7 was initially identified on Monday January 22, 2018.

5. Permit - 103081 - Section 2.7.2 Log Book Recordkeeping

A signed copy of this permit shall be maintained at all times at the location where day-to-day decisions regarding the operation of the facility are made. A log book (paper copies, forms, or electronic data) of the inspections and measurements required by this permit shall be maintained at the location where day-to-day decisions are made regarding the operation of the facility. The log book shall be retained for ten years from the date of each inspection, and upon request, the permit and the log book shall be made immediately available for review by ADEQ personnel.

At the time of inspection, Johnson Utilities, LLC did not have a copy of the permit on site and failed to have a complete logbook for ADEQ inspection. On the daily checklist of WWTP components and wetland cell performance, there were no annotations regarding damage or malfunction at the plant, including the unauthorized discharge and meeting the minimum freeboard operational performance requirements. Jed Lant, Section 11 WWTP Operator, commented that the operators conduct a daily visual inspection and communicate verbally if there is an issue; however, the logbook did not contain all this information. Operators stated they do not know exactly when it began, they noticed it on Monday January 22, 2018. No records were included in the daily logs regarding unauthorized discharges of the recharge basins.

6. Permit - 103081 - Section 2.7.4 Operational, other or Miscellaneous Reporting

The permittee shall record the information as required in Table III in the facility log book as per Section 2.7.2, and report to ADEQ any violations or exceedances as per Section 2.7.3.

At the time of inspection, Section 11 WWTP failed to record information for Recharge Basin Freeboard and Equalization Basin Freeboard, as required by Section 4.2 Compliance Monitoring - Table III in the facility's logbook. ADEQ requested a copy of the log book documenting inspection of the freeboard for the Recharge Basin and Equalization Basin. According to Jed Lant, Section 11 WWTP Operator, Recharge Basins freeboard measurements are not recorded in the log book. It is not standard procedure for the Section 11 WWTP Operators to document this requirement, therefore there are no historic records regarding the components in Table III.

7. A.A.C. R18-9-E301(D)(5)(vi)

Failure to ensure that lift stations are designed to prevent odor from emanating beyond the lift station site.

In January 2018, ADEQ received approximately 90 complaints of a persistent sewage odor emanating. The complaints referred to an area where Johnson Utilities owns and operates two facilities in the area, Section 11 Wastewater Treatment Plant and Oasis Sunrise Lift Station. At the time of inspection on January 25, 2018, ADEQ inspector confirmed the strong odor emitted, approximately 150 feet outside the lift station property, while driving on Hunt Highway at 8:30 AM. Specifically at the intersection of Hunt Highway and Mirage Blvd, in

front of the Oasis Sunrise Lift Station.

8. **A.A.C. R18-9-E301(B)(7)**

Failure to minimize septic conditions in a sewage collection system.

In January 2018, ADEQ received approximately 90 complaints of a persistent sewage odor emanating. The complaints referred to an area where Johnson Utilities operates the sewage collection system, near the Oasis Sunrise Lift Station. Odors detected during the inspection on January 25, 2018, are indicative of the presence of hydrogen sulfide gas as a result of a septic condition in the collection system. The odor was detected approximately 150 feet outside the lift station property, while driving on Hunt Highway at 8:30 AM.

9. **A.A.C. R18-9-B201(J)**

Failure of an owner or operator of a sewage treatment facility to operate the facility so that it emits an offensive odor on a persistent basis beyond the setback distances specified in subsection (I).

At the time of inspection on January 25, 2018, ADEQ inspector confirmed the strong odor emitted, approximately 1700 feet outside the Section 11 WWTP, while driving on Hunt Highway at 8:30 AM.

II. DOCUMENTING COMPLIANCE

1. Within 3 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or submit documentation that O&M manuals are kept and are available at the facility. Adequate documentation shall be a list of all WWTP components O&M manuals and digital copies.
2. Within 3 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or submit documentation that a signed copy of the Aquifer Protection Permit (APP) P-103081 is kept at the facility. Adequate documentation shall include a written statement and a photograph showing that the APP is currently located at the facility and is accessible for review.
3. Within 7 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or submit documentation that the logbook is complete, and includes inspections and measurements required by APP P-101381 Section 2.7.2. Adequate documentation shall include updated forms, including all parameters listed in Section 4.2, Table III Weekly Inspections Performance Levels.
4. Within 7 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or submit a written report according to APP P-101381, Section 2.7.3.2 that refers to submit this within 30 days after becoming aware of the violation of the permit condition.
5. Within 15 calendar days of receipt of this Notice, please submit documentation that the

violation(s) never occurred, or submit a training agenda and a sign in sheet to demonstrate that all operators have been trained and are knowledgeable about O&M manuals used in Section 11 WWTP. To be complete, the training must include performance criteria for all WWTP components, recharge basins, and wetlands. Additionally submit an updated Standard Operating Procedure (SOP) that reflects the training and will be used by operators as reference material.

6. Within 15 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or submit a training agenda and a sign in sheet to demonstrate that all employees involved in Section 11 WWTP operations have been trained and are knowledgeable about APP P-101381 requirements. The training shall include the following information:

1. Response to unauthorized discharges;
 2. Awareness of the Contingency and Emergency Plan for any permit violation conditions;
 3. Awareness of the specific contingency measures preapproved by ADEQ for Emergency Response for Unauthorized Discharges;
 4. Reporting requirements, including 5 day notifications and 30 day written reports when permit violation occurs; and
 5. Required recordkeeping in the log book, including weekly facility inspections.
- Additionally submit an updated Standard Operating Procedure (SOP) that incorporates the training and will be used by operators as reference material.

7. Within 45 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or submit a detailed root cause analysis of the observed unauthorized discharge at Section 11 Wastewater Treatment Plant (WWTP). At a minimum, the analysis shall be must include the following information:

1. An analysis of the adequacy of the WWTP overall performance, including a review of the O&M manuals for WWTP and ensure proper operation and maintenance is occurring. Include WWTP components design rates.
2. An assessment of the current effluent disposal capacity and disposal methods, including management needs, based on actual flow rates;
3. Identify the deficiencies that caused overflowing at the Recharge Basins. Include an assessment of the adequacy of the recharge basins recharge rates compared to initial designed rates;
4. Historical analysis including frequency, cause, dates, duration of facilities not meeting permitted freeboard of two foot for the past 3 years; and
5. Historical analysis including frequency, cause, date, duration, and volume of unauthorized discharges for the WWTP for the past 3 years.

8. Within 45 calendar days of receipt of this Notice, please submit documentation that the

violation(s) never occurred, or submit documentation to demonstrate the log book is in use. The documentation shall include at a minimum, copies (digital or hard copy) of four (4) weeks of Recordkeeping requirements information outlined in APP P-103081 Section 2.7.

9. Within 60 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or submit a training plan to mitigate potential adverse operational deficiencies found in NOV Section III Condition #6 and have a functional facility. The plan shall include the following topics:
 1. Milestones and timeframes to apply;
 2. Identification of all WWTP employees and managers who are responsible for initiating the training plan; and
 3. Training agenda and training sign-in sheet to demonstrate all personnel are fully aware and are able to implement the training plan.
10. Within 90 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or submit documentation from a third party engineering company that the lift station identified as Oasis Sunrise meets proper engineering controls and best design practices. Include how Johnson Utilities, LLC is addressing these problems so that they do not reoccur.
11. Within 90 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or submit documentation from a third party engineering company that the Section 11 WWTP meets proper engineering controls and best design practices. Include how Johnson Utilities, LLC is addressing these problems so that they do not reoccur.
12. Within 120 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or submit documentation showing the training plan has been implemented and proposed milestones have been achieved at WWTP. Appropriate documentation includes, invoice, photograph logs, laboratory analysis, sealed engineering plans, technical drawings, permits, and any other document(s) necessary to establish deficiencies have been resolved.

III. 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: Isa Valdez, Water Quality Ground Water & Reuse Inspections and Compliance, 1110 W Washington St, Phoenix, AZ 85007 MC: 5415B-3

IV. STATEMENT OF CONSEQUENCES

1. The time frames within this Notice for achieving and documenting compliance are firm limits.

Failure to achieve or document compliance 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 only in a compliance schedule negotiated in the context of an administrative consent order or civil consent judgment.

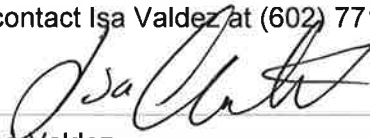
2. Achieving compliance does not preclude ADEQ from seeking civil penalties, and/or suspending or revoking an applicable permit/license for the violation(s) alleged in this Notice as allowed by law.

V. 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 Isa Valdez at (602) 771-2302.



Luke Peterson, Manager
Water Quality Ground Water & Reuse
Inspections and Compliance



Isa Valdez
Water Quality Ground Water & Reuse
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