



Douglas A. Ducey
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY



Misael Cabrera
Director

CERTIFIED MAIL
Return Receipt Requested

April 30, 2018

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

Case ID #: 175167

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 inspection of the above-referenced site on March 28, 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,

Andy Koester, Manager
AZPDES Individual Permits Unit

CC: (electronically) Brad Cole, Johnson Utilities,

Enclosure: ADEQ Notice of Violation Case ID 175167
April 28, 2018, Follow-up Inspection Report



Douglas A. Ducey
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY



Misael Cabrera
Director

CERTIFIED MAIL
Return Receipt Requested

Case ID #: 175167

April 30, 2018

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

Subject: Pecan Water Reclamation Plant, Place ID 18583
38539 N Gantzel Rd / Queen Creek, AZ 85140

NOTICE OF VIOLATION

The Arizona Department of Environmental Quality (ADEQ) has reason to believe that Johnson Utilities, LLC as the owner/operator of Pecan Water Reclamation Plant 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 March 28, 2018.

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

1. A.R.S. § 49-255.01(A)

Addition of a pollutant to navigable waters from a point source without a permit.

On March 27, 2018, Johnson Utilities, LLC notified ADEQ via voicemail that a sanitary sewer overflow (SSO) had occurred and the discharge had reached Queen Creek.

According to a Sanitary Sewer Overflow (SSO) Report, submitted to ADEQ by Ms. Katherine Nierva, Johnson Utilities, LLC on April 18, 2018, an SSO occurred on March 26, 2018, at 9:30 p.m. Approximately 65,000 gallons of untreated wastewater overflowed from a manhole at the corner of Kelly Lane and Harold Drive in the Pecan North Subdivision. The untreated wastewater traveled from the manhole to the stormwater drainage channel and entered Queen Creek Wash. Photographs provided by Ms. Nierva accompanying the SSO Report, illustrate standing water present within the channel of the Queen Creek Wash.

On March 28, 2018, ADEQ inspectors met with Mr. Jed Lant in response to the SSO. At the time of inspection, no standing sewage was observed and cleaning activities had been completed. ADEQ inspectors photographed the impacted areas including caution tape around the spill area and damp soils from the SSO and clean up activities. Johnson Utilities, LLC reported that the SSO had been due to a malfunction of a sensor unit at the Pecan Wastewater Reclamation Facility influent lift station.

On April 26, 2018, ADEQ conducted a follow-up inspection with the Dewain Kasen, operator

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

Printed on recycled paper

of the Pecan Wastewater Reclamation Facility. ADEQ inspectors observed paper and other non-stormwater materials, e.g. toilet paper and sanitary products, within the concrete stormwater spillway.

Johnson Utilities, LLC is not permitted to discharge untreated sewage into Queen Creek. Queen Creek is a Water of the United States and is a surface water listed in Appendix B of Arizona Administrative Code, Title 18, Chapter 11, Article 1. Johnson Utilities, LLC has reported at least 4 other unauthorized discharges at this location occurring on December 24, 2007, May 17-18, 2008, September 6, 2011, and December 2, 2016.

II. DOCUMENTING COMPLIANCE

1. Within 5 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or documentation, including photographs and invoices, to demonstrate that the concrete spillway and other affected areas have been properly cleaned up and disinfected, and all SSO-related materials have been properly disposed
2. Within 30 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or a engineering design assessment to evaluate the Pecan Wastewater Reclamation Plant and sewage collection system to identify improvements that can be implemented to prevent mechanical and operational and maintenance problems from causing sewage backups and SSOs to occur in residential neighborhoods and into Queen Creek Wash. Any engineering solutions must comply with the requirements of A.A.C. R18-9-E301. At a minimum the plan shall address the following:
 1. Evaluate any potential solutions to address the SSOs caused by the difference of elevation between the collection system and the Pecan Wastewater Reclamation Plant.
 2. Hydrogen sulfide gas corroding and deteriorating equipment causing failures.
 3. Redundant electrical and mechanical controls at the Pecan Wastewater Reclamation Plant lift station that will serve as a backup, if one control systems fails.
 4. Capacity to add additional volume at the Pecan Wastewater Reclamation Plant Lift Station to allow for a greater response time to address mechanical failures before SSOs occur.
 5. Evaluate the installation of permanent pumps in the adjacent lift station and wet well.
3. Within 30 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or documentation demonstrating that a Sanitary Sewer Overflow Response Plan has been developed for addressing and resolving discharges that have a reasonable likelihood of adversely affecting human health or the environment. The plan shall include guidelines for responding, cleaning up and disinfecting, and reporting sanitary sewer overflows.

III. SUBMITTING COMPLIANCE DOCUMENTATION

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

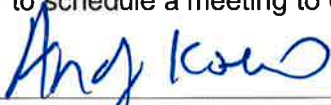
Arizona Department of Environmental Quality, Attention: Mindi Cross, AZPDES Individual Permits Unit,
1110 W Washington St, Phoenix, AZ 85007 MC: N/A

IV. STATEMENT OF CONSEQUENCES

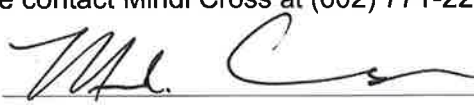
1. The time frames within this Notice for achieving and documenting compliance are firm limits. Failure to achieve or document compliance within the time frames established in this Notice will result in an administrative compliance order or civil action requiring compliance within a reasonable time frame, 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 Mindi Cross at (602) 771-2209.



Andy Koester, Manager
AZPDES Individual Permits Unit



Mindi Cross
AZPDES Individual Permits Unit



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY NOTICE OF INSPECTION RIGHTS

FACILITY INFORMATION	ADEQ INFORMATION
Facility Name (Customer): Pecan Water Reclamation Plant / Section 11 WWTP	Date/Time of Inspection: 04/26/2018 & 1258
Facility Location (Place): 38539 N Gantzel Rd. Queen Creek, AZ / 5452 E Hunt Highway Florence, AZ	County: Pinal
Mailing Address: 5230 E Shea Blvd. Ste. 200 Scottsdale, AZ 85254	Inspector: Kristie Chavero
Responsible Party: Johnson Utilities, LLC	Telephone: (602) 771-4575
On-Site Representative: Dewain Kasen	Accompanied by: Andy Koester; Garrison Becher; Ronald Tiller
Telephone: 480-570-7745	ADEQ Follow-up Contact: Andy Koester & Luke Peterson
Title: Pecan WRP Lead Operator	Title: AZPDES Manager & APP Manager
E-mail: PecanWRP@Johnson.com	Telephone: 602-771-2322 & 602-771-4689

The ADEQ representative(s) identified above were present at the above address on the above listed date and time. Upon entry to the premises, the ADEQ representative(s) met with me, presented photo identification indicating that they are ADEQ employees and explained:

☐ **That the purpose of the inspection is to determine:**

- ☐ Compliance with Title 49 of the Arizona Revised Statutes, Title 18 of the Arizona Administrative Code* and/or:

Arizona Revised Statutes: Title 49, Chapter 2, Article 3.1.

Arizona Administrative Code: Title 18, Chapter 9 et seq, Article A906.

Permit/Agreement Number: APP Permit #: P- 103081 and P-105324.

- ☐ Qualification for a license issued pursuant to:

Arizona Revised Statutes: Title 49, Chapter 2, Article 10.

Arizona Administrative Code: Title 18, Chapter 5, Article 1 et. seq..

- ☐ That this inspection is conducted pursuant to the authority granted in Arizona Revised Statutes § 49-104(B)(8) and/or:

Arizona Revised Statutes: § 41-1009, 49-203(B)(1).

Arizona Administrative Code: R18-4-207.

Permit/Agreement Number: APP Permit #: P- 103081 and P-105324.

- ☐ That the state shall not be barred by the statutes of limitations of actions, according to A.R.S. § 12-510, except as provided in A.R.S. § 12-529 concerning certain claims based on navigability of watercourses. According to 28 U.S.C. § 2462, the U.S. government must commence an action within 5 years after the date the claim first accrued.

- ☐ Possible applicability of Small Business Bill of Rights pursuant to Arizona Revised Statutes § 41-1001(21)

☐ **That the fee for this inspection is:** ZERO.

☒ The Arizona Revised Statutes (A.R.S.) can be found on the internet: www.azleg.state.az.us/ArizonaRevisedStatutes.asp while the Arizona Administrative Code (A.A.C.) can be found at www.azsosaz.gov/public_services/Table_of_Contents.htm. While I have the right to refuse to sign this form, the ADEQ representatives may still proceed with the inspection.

- ☐ I have read this notice and discussed any questions or concerns with the ADEQ representatives and I have received the Small Business Bill of Rights.

Dewain Kasen
Signature of Regulated Person or Authorized On-Site Representative

4-26-18
Date

- ☐ The regulated person or authorized on-site representative refused to sign.

[Signature] Name of Regulated Person or Authorized On-Site Representative Title

- ☐ The regulated person or an authorized on-site representative was not present at the facility.

[Signature]
Signature of ADEQ Representative Date

INSPECTION RIGHTS

☐ I understand that I can accompany the ADEQ representative(s) on the premises, except during confidential interviews.

☐ I understand that I have right, on request, to:

- Copies of any original documents taken during the inspection, and that ADEQ will provide copies of those documents at ADEQ's expense;
- A split of any samples taken during the inspection, if the split of the samples would not prohibit an analysis from being conducted or render an analysis inconclusive;
- Copies of any analysis performed on samples taken during the inspection and that ADEQ will provide copies of this analysis at ADEQ's expense;
- Copies of any documents to be relied on to determine compliance with licensure or regulatory requirements if the agency is otherwise permitted by law to do so.

☐ I also understand that:

- Each person who is interviewed by an ADEQ inspector during the inspection must be informed that:
 - (1) participation in an interview is voluntary, unless legally compelled to participate;
 - (2) they have the right to have an attorney or other experts in their field present during the interview to represent or advise the regulated person;
 - (3) the ADEQ inspector may not take any adverse action or treat less favorably or draw any inference as a result of the regulated person's decision to be represented by an attorney or advised by any other experts in their field;
 - (4) statements made by the person may be included in the inspection report; and
 - (5) they have the right to 24 hours to review and revise any written witness statement drafted by the ADEQ inspector on which the ADEQ inspector requests that person's signature.
- If the information and documents provided to the ADEQ inspector become a public record, trade secrets and proprietary and confidential information may be redacted, unless the information and documents are not confidential pursuant to statute.
- Each person interviewed during the inspection must be informed that statements made by the person may be included in the inspection report;
- Each person whose conversation is tape recorded during the inspection must be informed that the conversation is being tape recorded;
- If an administrative order is issued or a permit decision is made based on the results of the inspection, I have the right to appeal that administrative order or permit decision. I understand that my administrative hearing rights are set forth in Arizona Revised Statutes § 41-1092 *et seq.* and my rights relating to an appeal of a final agency decision are found in Arizona Revised Statutes § 12-901 *et seq.*;
- If I have any questions or concerns about this inspection, I may contact the person listed as the ADEQ Follow-up Contact on the front of this form; ADEQ's Ombudsman at (602) 771-4322 (toll free inside Arizona at (800) 234-5677, extension, 771-4322); or the Arizona Ombudsman-Citizens' Aid office at (602) 277-7292 (toll free at (800) 872-2879);
- If I have any questions concerning my rights to appeal an administrative order or permit decision, I may contact ADEQ's Office of Administrative Counsel at (602) 771-2212 (toll free inside Arizona at (800) 234-5677, extension 771-2212).



Douglas A. Ducey
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY



Misael Cabrera
Director

Water Quality Complaint Inspection Report

Facility Name: Pecan Water Reclamation Facility (WRP)	Complaint No: Follow Up from #300090
Physical Location: 38539 North Gantzel Road City, State, Zip: Queen Creek, AZ 85140	Inspection No.: 300090
County: Pinal	Arrival Date and Time: 4/26/2018 @12:58 AM
Mailing Address: 5230 E Shea Blvd Ste. 200 City, State, Zip: Scottsdale, AZ 85254	Inspector(s): Kristie Chavero ADEQ staff: Andy Koester; Garrison Becher, Ronald Tiller
Coordinates (for new locations): N/A	Inspector Phone: 602-771-4575 Inspector Email: Chavero.Kristie@azdeq.gov
Owner/Responsible Party: Johnson Utilities, LLC	Was Inspection Announced? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Onsite Contact Person(s)/Facility Operator(s): Dewain Kasen, WWTP Lead Operator	Weather: Slight overcast
Nearest Receiving Water, if applicable (indicate distance): Queen Creek Wash within .25 miles	
Inspection Report Issued: Via email from ADEQ office	Facility Initial: N/A ADEQ Initial:
Results of Inspection: <input type="checkbox"/> No deficiencies were noted during the course of the inspection. No ADEQ action will result from this inspection. <input checked="" type="checkbox"/> Potential deficiencies were noted during the course of the inspection. Additional correspondence regarding this inspection may be forthcoming.	
Observation/ Comments: <ul style="list-style-type: none"> At the time of inspection, ADEQ did a walk-through of the stormwater concrete spillway and retention basin adjacent to housing community and slightly below the Pecan WRP. In addition, ADEQ staff also viewed the stormwater culvert (discharge point for any stormwater from the concrete spillway to Queen Creek Wash) and the lift station area within in the Pecan WRP. At the time of inspection, ADEQ personnel observed non-stormwater residual material left from recent SSOs events. ADEQ observed toilet paper, tissue paper, sanitary products within the concrete spillway and within the retention area left from recent SSOs events that had not been properly cleaned up by the Pecan WRP personnel. The visual evidence suggest these materials were left from recent Hazardous Unauthorized Discharges that occurred due to lift station failure at the Pecan Water Reclamation Facility (WRP). In previous inspection, Pecan WRP was identified an unpermitted discharging facility. 	
Attachments: Attachment A – Notice of Inspection Rights Attachment B – Photograph Log	
<input type="checkbox"/> NO PHOTOGRAPHS TAKEN DURING INSPECTION <input checked="" type="checkbox"/> PHOTOGRAPHS TAKEN DURING INSPECTION ARE AVAILABLE ON REQUEST	

<p>Description of the Complaint:</p>	<ol style="list-style-type: none"> 1. Initial complaint mentioned observed a possible recent sanitary sewer overflows (SSOs) event near within a concrete spillway and Queen Creek Wash located near the Pecan WRP in The complainant was concerned with evidence of standing water within a stormwater culvert to Queen Creek Wash and reaching the residential area. Also, the complainant observed wastewater treatment residual material within the concrete spillway. 2. An original Inspection #300090 identified the problem: Unpermitted discharging facilities – Pecan WRP has operating discharging facilities that currently do not meet the requirements established in A.R.S. 49-243 (B)(1) to operate best available demonstrated control technologies (BADCT) for lift station at Pecan WRP and discharge to waters of the US. 3. This Follow-Up inspection was to confirm activities by Johnson Utilities at Pecan WRP, particularly the lift station and response and corrective actions regarding recent SSOs events.
<p>Observations:</p>	<ul style="list-style-type: none"> • At the time of inspection, ADEQ personnel identified themselves to Mr. Kasen and mentioned from which Value Stream they're associated with. Mr. Kasen escorted ADEQ personnel to the concrete spillway, culvert and Pecan WRP lift station, contact basin and recharge area. • At the time of inspection, no visual evidence of active SSOs was observed within the concrete spillway or near at the lift station within the Pecan WRP. However evidence was still left within the concrete spillway from previous SSOs events (See Photos) <p>At the time of inspection, Mr. Kasen stated the following:</p> <ol style="list-style-type: none"> 1. The toilet paper and other non-stormwater material observed within the concrete spillway and stormwater retention area was material left from a previous SSOs events. Mr. Kasen stated the Pecan WRP had not had a SSOs event this week and he thinks it has been couple months since the Pecan WRP had a SSO release. 2. Mr. Kasen stated the Pecan WRF staff are trained to conduct visual inspection of the lift station vault every hour. At the time of inspection, ADEQ staff observed a log-sheet used Pecan WRP staff to log vault inspections, stored in a shed adjacent to the wet well. 3. Mr. Kasen stated the system Pecan WRP uses to track the levels within the lift station can give a 24 hour trend, then it resets. 4. Mr. Kasen stated the Pecan WRP has 1 (CAT) generator, out of the 3 backup generators, dedicated to the lift station pumps. RP stated the generator is ran every Monday and Emperor, a contractor maintains them quarterly. 5. Mr. Kasen stated if there was a power failure, the pumps would fail in the on position, till a staff member could manually turn them off. Mr. Kasen pointed out the Pecan WRP staff have the ability to slow down

	<p>the flow of lift stations on either side and can shut off/ or divert flow San Tan in cause of a failure.</p> <p>6. Mr. Kasen stated the Pecan WRP is staff 24 hours, with at least one personnel member on staff overnight.</p> <p>At the time of inspection, the following observations were made:</p> <ol style="list-style-type: none"> 1. Lift Station: The inspection entailed a walk through the concrete spillway, the wash and parts of the treatment process, starting at the on-site lift station located in the North West portion of the WRP. <ol style="list-style-type: none"> a. ADEQ personnel observed the Pecan WRP uses a ultrasonic to measure the levels within the lift station and had a backup stored within the wet well, RP stated if the Pecan WRP needed to use the backup, personnel would have manually lowered it down in the event the 1st method fails. b. A dewatering pump was observed connected to the lift station and a small non-carbon filter used by the WRP to assist with odor control system. These changes were actions to reduce odor and prevent high flows entering the plant. <ol style="list-style-type: none"> 1. Mr. Kasen, WWTP Operator commented the Pecan WRP staff will connected or disconnected a pump to the lift station. c. ADEQ personnel observed a black pipe on site. Mr. Kasen stated the Pecan WRP have plans to install the new piping leading to the wet well shortly. d. There was a white powder on the soil around the lift station. There was visual evidence that unauthorized discharges occurred on-site. At the time if inspection, strong odors were identified within the WRP. e. Observed recharge basins: across the Pecan WRP were in use, abundant vegetation, such trees, weeds, and bushes were observed inside the basins.
<p>Comments and Potential Deficiencies:</p>	<ol style="list-style-type: none"> 1. At the time of inspection, ADEQ requested Pecan WRP properly clean, disinfect, and remove all non-stormwater material left within the concrete spillway, left from recent SSOs events and submit photographic documentation by 04/30/2018 to ADEQ the areas have been cleaned properly. 2. ADEQ recommends installing a permanent backup float system in the lift station, possible installing a transducer inside a stilling well along the wet-well. 3. ADEQ recommends to follow maintenance procedures in a way that unauthorized discharges do not occur, when the dewatering

	<p>pump is connected and disconnected.</p> <p>4. Sewage spills from lift station are considered unauthorized discharges, per APP P-105324 Section 2.6.5.2 – follow the communication and recordkeeping requirements.</p> <p>COMMENTS:</p> <ul style="list-style-type: none"> • During the inspection, ADEQ Watershed Protection staff completed a soil and water sampling event within the concrete spillway, along the wash and within the culvert. ADEQ Watershed Protection staff collected 1 water sample within the retention basin and 5 soil samples; 2 soil background samples and 3 impact soil samples located below the culvert and between the fence and culvert. Samples were sent to the laboratory and are awaiting results.
--	---

Field Inspection Photograph Log

Facility Name (PLACE): Pecan Water Reclamation Plant	Inspector: Kristie Chavero	Weather: Overcast
Permit Authorization No.: Choose Permit APP Permit	Inspection No.: Click here to enter text.	Inspection Date: 26-Apr-18



Photo No. 1	Direction Photo Taken: West	
Photo Description: View of the concrete spillway, located within the adjacent community, visual evidence of excess of solids and non – stormwater material left from recent sanitary sewer overflows (SSOs) events.		

Photo No. 2	Direction Photo Taken: SW	
Photo Description: Close up within the concrete spillway, visual evidence the area has been non-stormwater material (toilet paper, sanitary products) left from recent SSOs events due to the malfunction of the Pecan WRP lift station.		

Field Inspection Photograph Log



Photo No. 3	Direction Photo Taken: West	
Photo Description: Close up within the concrete spillway, Visual evidence of toilet paper and sanitary product left behind from recent SSOs events.		

Photo No. 4	Direction Photo Taken: East	
Photo Description: Overview of the concrete spillway, visual evidence that area has been non-stormwater material left from recent SSOs events due to the malfunction of the Pecan WRP lift station.		

Field Inspection Photograph Log



Photo No. 5	Direction Photo Taken:	
Photo Description: Close up within the concrete spillway adjacent to the community, visual evidence of sanitary products left from the recent SSOs events.		

Photo No. 6	Direction Photo Taken:	
Photo Description: Close up within the concrete spillway, visual evidence toilet paper was left from recent SSOs events.		

Field Inspection Photograph Log




Photo No. 7	Direction Photo Taken:	
Photo Description: Close up within the concrete spillway; visual evidence matted toilet paper material left from recent SSOs event from the Pecan WRP lift station.		

Photo No. 8	Direction Photo Taken: West looking East	
Photo Description: Overview of lift station chamber and orange pump within the Pecan WRP.		

Field Inspection Photograph Log

Photo No. 9	Direction Photo Taken:	
Photo Description: View inside the wetwell & ultrasonic located at the headworks of the Pecan WRP		

