

Water Resources, Inc.

5970 Fairview Rd, Suite 710
Charlotte, NC 28210

W-1034 Sub 8

August 29, 2019

OFFICIAL COPY FILED

North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4325

AUG 30 2019

Clerk's Office
N.C. Utilities Commission

Re: Docket no. W-1034 Sub * Water Resources, Inc.
Status of Deficiency Corrections Noted in the Recommended Order Approving Agreed upon Rates

To Whom It May Concern:

Please find below a status update to the subject Docket items requiring attention.

1. A sanitary survey for Rocky River was conducted by DEQ on March 29, 2018, and WRI was sent a Notice of Deficiency letter, dated April 3, 2018. The stated deadlines for resolving the issues was July 31, 2018, and further extended to July 31, 2018. As of August 16, 2018, the following items were not resolved:

a. The hypochlorite solution injection point is not in the location shown on the approved plans for the chemical feed system improvements, which violates the requirements of 15A NCAC 18C.1304(a);

- **Current Status - Corrected**

b. A faucet or spigot for sampling treated water prior to delivery to the first customer was not provided, which violates the requirements of 15A NCAC 18C.0402(e);

- **Current Status – Awaiting inspection from DENR to make sure sampling point is sufficient**

c. The well house provided for Well 1 was not secured with a lock and key, which violates the requirements of 15A NCAC 18C.0402(f);

- **Status – Corrected**

d. Totalizing meters for Well 1 and Well 2 were not functional, which violates the requirements of 15A NCAC 18C.0402(g)(6); and

- **Status - Corrected**

e. Approximately three residual disinfection tests in the distribution system are performed per week. The water system is classified as a B Distribution system, which requires a minimum of five residual disinfection tests to be performed in the distribution system per week. This is a violation of the requirements of 15A NCAC 18C.1302(a)(1)(A).

- **Status – Corrected and ongoing compliance in place**

2. The DEQ Notice of Deficiency letter, dated April 3, 2018, also made the following recommendations:

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a. Due to the results from the iron and manganese field readings occasionally exceeding the secondary maximum contaminant levels, it is recommended that the water filter be evaluated by a qualified professional to assess the operation and maintenance of the water filter;

- **Status – Not completed due to lack of funds. Regular and consistent backwashing by the newly hired operator has proven to prevent issues with iron and manganese field readings.**

b. That the Hach Iron and Manganese Color Disc Test Kit used to measure the iron and manganese concentrations reported on the monthly operation reports, be calibrated in accordance with the manufacturer's instructions, that no expired reagents are used, and that the test kit be stored and maintained in accordance with the manufacturer's instructions;

- **Status - Corrected**

c. That the elevated storage tank be regularly inspected by a qualified professional and that the vent be inspected on a regular basis to ensure that the screen is intact; and

- **Status – To be completed by 10/31/2019**

d. That the holes observed in the lower portion of the western wall of the building containing the filter be repaired.

- **Status – Work order issued to contractor. To be completed by 10/31/2019.**

3. Water meters at Rocky River are over 25 years old, and the Public Staff has recommended that they be replaced.

- **Status – No action taken. Funds are not available for this large expense.**

4. Cases of cloudy water due to suspended air, and brown water due to high iron content have been observed at Rocky River, and WRI should take steps to better monitor water quality.

- **Status – A new operator has been hired and is performing field operations at a higher level, implementing preventive measures for these issues. As a result, no further issues have been reported in 2019.**

5. A sanitary survey for River Walk was conducted by DEQ on December 6, 2017, and WRI was sent a Notice of Deficiency letter, dated January 2, 2018. The stated deadlines for resolving issues was extended to May 2, 2018. As of August 16, 2018, the following items were not resolved:

a. The cover over the well holes for Well 1 was not secured against unauthorized access, and a locking mechanism was not provided, which violates the requirements of 15A NCAC 18C.0405(f);

- **Status – Corrected**

b. A properly sized vacuum relief valve is not provided for the hydropneumatic tank, which violates the requirements of 15A NCAC 18C.0405(c)(3);

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- **Status – Contractor was hired to do work but replaced the wrong valve. A new work order has been issued. To be completed by 10/31/2019.**

c. The Department of Labor inspection for the hydropneumatic tank is expired, which violates the requirements of 15A NCAC 18C.0405(c)(5).

- **Status - Completed**

6. The DEQ Notice of Deficiency letter, dated January 2, 2018, also made the following recommendations:

a. To achieve a proper free chlorine residual in the water system, that the drop pipe, tubing, and injection point associated with the hypochlorite treatment equipment be cleaned or replaced as necessary to ensure the proper flow of chemicals. If the Operator Responsible Charge is unable to increase the sodium hypochlorite feed rate after the corrective actions have been taken, that further investigation into the issue be performed until a solution can be identified and implemented;

- **Status - Corrected**

b. That the leaking Well 1 blow-off valve be repaired or replaced;

- **Status – No action taken**

c. That the hydropneumatic tank and ground storage tank be either replaced or cleaned and recoated by a qualified professional;

- **Status – No action taken due to lack of funds.**

d. That trees and limbs surrounding both well houses and water tanks be trimmed as necessary to ensure that no water system components would be damaged in the event of falling trees and limbs; and

- **Status – To be completed by 10/31/2019 if funds are available**

e. That bacteria sampling sites be rotated on a monthly basis and that bacteria sample siting plan be developed.

- **Status – Corrective action taken as requested**

7. Insulation in the River Walk water treatment building needs to be properly installed.

- **Status – No action taken**

8. WRI should investigate any possible operational issues that may be causing high power expenses.

- **Status – no identifiable issues have been found**

9. WRI's customer service and communications needs to improve.

- **Status – response to homeowners has been very good and will continue as such.**

10. WRI should keep a log of customer complaints. The log should include the date and time the customer contacted WRI or its answering service, a description of the complaint, what was done to resolve the issue, and the date and time that resolution of the issue was communicated back to the customer. A copy of these records should be filed in this docket on a quarterly basis until further order

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of the Commission.

- **Status – Ongoing compliance is in place.**

11. WRI should return customer calls within 60 minutes of receipt, and document this in the log book of customer complaints.

- **Status – Ongoing compliance is in place**

12. WRI should respond to outages within 60 minutes of receiving an outage report from a customer, and document this in the log book of customer complaints.

- **Status – Ongoing compliance is in place.**

Very truly yours,



Dennis C Abbott
President