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NEW MEXICO
PUBLIC REGULATION
COMMISSION

25-00081-UT

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Formal Complaint Form

The New Mexico Public Regulation Commission (NMPRC) attempts to resolve complaints against industries regulated by the NMPRC at the informal level with our Consumer Relations Division. If a consumer is not satisfied with the outcome, they are welcome to file a formal complaint that may be heard by the NMPRC Commissioners at a formal open meeting.

Step 1: Complaint Information

Your name (complainant) as it appears on the bill: BRUCE SANCHEZ

Address as it appears on the bill: P.O. Box 3241 EDGEWOOD, NM 87015

Phone number (include area code): 505-235-9898 Email Address: bruce.sdn102@gmail.com

Company (respondent) you are complaining against: MELODY RANCH WATER Co.

Company mailing address and phone number: P.O. Box 51615 ALBUQUERQUE, NM
505 832-4092 87181

A clear and concise statement of the relief sought (What do you think the company should do to make this situation right?):

A concise and explicit statement of the facts which the complainant alleges shows a violation:
(Please use additional sheets if necessary. Attach any relevant documentation such as a copy of the bill(s) in dispute, cancelled check, documentation which will support your position):

A statement of any laws, rules, orders, tariffs, certificates of public convenience and necessity, or operating authorities alleged to have been violated;

Step 2: Affirmation

Please sign the below statement:

"The factual allegations in the complaint are true and correct to the best of my knowledge and belief"

Date: 12-2-25

Signature: _____



Step 3: Filing Fee

Please prepare a check or money order payable to the State of New Mexico in the amount of \$25 to pay the formal complaint filing fee. Please include a scan of the check in your filing along with this completed formal complaint form with all supporting documentation and email it to

prc.records@prc.nm.gov

Step 4: Filing

Mail your filing fee to:

New Mexico Public Regulation Commission

Attn: Records Bureau

PO Box 1269

Santa Fe, NM 87504-1269

Melody Ranch Water Company needs to be investigated for wrongdoing to its customers. From the lack of communication to the health risks they have imposed on the community. Melody Ranch Water Company has made several statements on the record that contradict each other and the PRC, being the regulatory body to this utility, needs to do a thorough investigation not only in statements they have made to the PRC but to all the entities that watch over their statements and documentation. In the end if there are any irregularities with billing, actual finances and ownership, these irregularities not only be investigated but any substandard business practices be investigated by other agencies within the state. This company needs to be held responsible for what they have done to honest customers.

1. From the PRC Legal division and Utility Division Staff visit on July 24, 2025, there were several informal requests for information from Melody Ranch Water company (MRWC). As time went on with the MRWC Disruption of Service, questions arose about the function and accessibility of MRWC. The requests that were made during the July 24, 2025 visit by the PRC, are vital to the understanding of the Disruption of Service to the Melody Ranch Community.
2. Those present at the July 24, 2025 site visit for MRWC were Tracy Padilla, General Manager of MRWC, Daniel Chavez, Water Operator and Rich Phillips, Office Supervisor. Also present was John Bogatko, Legal Division Director, Jackie Ortiz, Deputy Legal Division Director and Jack Sidler, Engineering Bureau Chief.
3. MRWC said it had been in communication with one or more well drillers in the area. The Legal Division made an informal request for copies and any estimates and communications MRWC has had with anyone regarding the drilling of a new well. This informal request was never respected or responded to so a formal request is now asked for all documentation to be given to the PRC.
4. MRWC indicated that it does not have enough capital to rectify the situation and is seeking financial assistance to pay for the drilling of a new well. The Legal Division informally requested information and documentation regarding all applications and requests for financial assistance. This informal request was never respected or responded to so a formal request is now asked for all documentation to be given to the PRC.
5. MRWC indicated that it had made an emergency application with the Office of the State Engineer for appropriate permitting and /or authorizations necessary for a new well. The Legal Division informally requested copies of the emergency application and all other documents and communications between MRWC and the Office of the State Engineer. This informal request was never

respected so a formal request is now asked for all documentation to be given to the PRC.

6. MRWC indicated that it was using the billing revenues to pay East Mountain Water Hauling to bring water to the pump house. The water hauling was to come in 16,000 gallon increments. With this system the community depends on gravity feed and no pressurization to the system. The Legal Division informally requested copies of invoices and proof of payment to East Mountain Water Hauling and any other entities MRWC has retained to deal with the situation. This informal request was never respected or responded to so a formal request is now asked for all documentation to be given to the PRC.
7. All of these informal requests for information by the Legal Division were just that. An informal request for MRWC to show transparency but did nothing and are detrimental to the Water System Breakdown and Disruption of Service. In the Legal Divisions Report and Recommendations Pursuant To The Commission's July 22, 2025 initial Order Opening Investigation, it was recommended that the Commission should issue an Order To show Cause requiring MRWC file detailed response regarding:
 - How and when MRWC will restore water service to the community in conformance with 17.12.750.11 NMAC and all other applicable statutes, rules, regulations and requirements of the PRC. the New Mexico Environment Department, and the New Mexico Office of the State Engineer. MRWC's presentation in this regard must include specific identification and detailed discussion of and information regarding when it first encountered issues with the well (including a timeline and sequence of events), the steps taken to address the issues with the well, and any alleged obstacles to accomplishing restoration of water service expeditiously, including but not limited to, the steps that

have been taken or are proposed to be taken towards overcoming any such obstacles;

- Why MRWC should not be found to have violated the requirement of 17.12.750.11 NMAC to “furnish and maintain sufficient facilities to provide a continuous supply of water...”
- With the Status Conference Meetings held, no answers were given with the Order to Show Cause.

8. It is unknown why MRWC has claimed service disruption since June, 2025, because there are 77 residences and a business that state disruption occurred in the Middle of May, 2025. So far, none of the records requested by the PRC to be furnished have been released. It is requested that the PRC acknowledge the Disruption of Service from the Middle of May. A formal request that MRWC give an actual timeline from when pressure to the system dropped to when service was actually disrupted.
9. In a letter furnished to the PRC by MRWC, the pumps at the well house had performance issues. Two pumps were taken to a repair facility where one unit was deemed irreparable due to discontinued parts. A replacement was ordered and delivery was expected in 6-8 weeks. The second unit had a faulty switch and after initial service was completed, a secondary service was required to fully resolve the issue. Because of this statement from MRWC, a formal request for copies of all the service records, receipts and payment to correct this issue. And because of the nature that this issue has within a community, it is formally requested all the service records, receipts and payment for these pumps for the last 10 years. This request is due to the issue of losing water service at least once a year and can be attested to by the residents of Melody Ranch.
10. In the same correspondence to the PRC by MRWC, a full diagnostic evaluation of the system was conducted and found all components operating as expected. On June 26, 2025, Usrey

Well and Pump Company was contracted to conduct an evaluation. A formal request of this evaluation is asked to include the contract for evaluation, cost, copies of receipts and payment.

11. Around the end of June, 2025, I met with the Torrance County Manager, Jordan Barela. His first question was how many homes the water outage was affecting. After speaking with Mr Barela, he contacted East Mountain Rural Water Authority who in turn contacted Albuquerque Water Authority and some relief was seen. Albuquerque was going to furnish the community emergency water with a 6000 gallon tanker. It would be replenished as time needed. A formal request to the PRC to get records of the removal of this tanker by Albuquerque Water Authority.
12. After already going a month and a half with no water to speak of, I contacted New Mexico Environment Department (NMED). On July 7, 2025, I was informed the main pump was only producing 4 gallons per hr. I was informed that East Mountain Rural Water Authority would be sending a Circuit Writer to evaluate the entire system that would include inspection of the pump house, storage tank, the well and any other amenities within the system. It was also discussed with NMED that none of the residents had seen a water quality report in approximately 15 yrs. It is formally requested that MRWC not only furnish the PRC with these water quality reports but the residents of Melody Ranch be furnished these reports. It is also formally requested the report from the Circuit Writer that inspected the system be furnished to the PRC. This inspection was confirmed by Ms Padilla in a Town Hall Meeting on November 5, 2025 and Ms Padilla also said that there was a well driller present. Again, documentation from the well driller present confirming the statement of the Circuit Writer is requested.
13. On July 7, 2025 in a letter to the PRC from MRWC, "In response to increased community need and holiday demand, we temporarily turned the system on from 6:00 PM to 12:00 AM on Friday, July

4th, to allow residents to fill storage tanks and meet immediate household needs. This statement does not suffice the actual reasoning and the events that led to this decision. It is formally requested that a signed statement from the owner regarding the events leading to this decision as well as copies of statements to all the TV news stations along with an explanation of why no statements were made to these news stations. This can be verified by watching the reports on file with the media.

14. On July 14, 2025, I again contacted NMED to get the report from the investigation of the Circuit Writer and was told at that time that the well was going dry. I was also informed that the well pump is capable of supporting 40 gallons of water per minute and with the pump operating at a low volume, there was the chance of contaminants getting into the water being pumped. As a direct result of the low volume, NMED issued a boil water recommendation for the community and as of today, we are still on that order. It is formally requested that for this water system to be operating as expected in late June yet within about 2 weeks, a well is dry. A full explanation to the PRC and to the customers of MRWC needs to be given.

15. While all of this has been going on since the Middle of May, there has been no formal communication between MRWC and its customers. Due to the nature of what has been deemed a failure of MRWC, it should not have been the responsibility of the residents of Melody Ranch to have to make phone calls to find out if going to be privileged to get water and still, not be told by MRWC what is actually going on with the water supply. It is formally requested that a signed statement from the owner of MRWC be given to the PRC Legal Division, PRC Commissioners, NMED and to all the paying customers of Melody Ranch the records that led to the Disruption of Service. It is the only way for MRWC to show transparency and responsibility. This statement should be done within 10 working days on receipt of this formal complaint.

16. It has been mentioned on the record in a Status Conference Meeting by Ms Padilla, that her mother, Kathleen B Smith cannot run MRWC and that Ms Padilla is in charge of the company and is taking care of her mother. Ms Padilla also mentioned that at that time there were only 2 employees to MRWC, Rich Phillips and herself. In looking at the annual reports to the PRC, there are several owners to MRWC but only in initials. It is therefore formally requested:

- A. All the owners are named by name.
- B. A written letter to the PRC Legal Division that is notarized by each owner giving Ms Padilla the right to speak and act in their best interest. It should also be noted that each owner is well aware of the situation this community has been in and all the events that have led to this.
- C. Because of the statement by Ms Padilla saying that her mother is in no condition to run MRWC, an actual Power Of Attorney naming Ms Padilla to act as the owner. It also needs to be further explained by Ms Padilla with documentation when Ms Smith was no longer able to functionally operate this company.
- D. In all the PRC annual reports it is mentioned that Ms Smith is the listed Engineer of this company. All credentials are requested and should be examined by the PRC Legal Division, Utility Division, PRC Engineering Bureau Chief and NMED. Doing these steps will show transparency and will further help with the transfer of MRWC to EMWT

20 All financial records of MRWC will be turned over to PRC for examination and audit. This is to include billing to customers, bank statements, utility statements, payroll to the 2 above mentioned employees and all the listed owners to MRWC. Also, all the records pertaining to system maintenance of pumps, lines, meters, well and purification of water, chemicals used and cost for water testing and

when done along with any other records either requested by the PRC or anything that MRWC feels would help with this audit. The reasoning for this request is residents are being charged a flat rate of \$0.20 on their billing for a Conservation Fee. According to the NM Taxation and Revenue Department, the conservation fee is supposed to be \$0.03 per thousand gallons produced. In a statement made by Ms Padilla at a Town Hall Meeting on November 5, 2025, when it was stated that all charges needed to be paid to MRWC including water charges so the electric bill could be paid to keep the well pump in operation. Then MRWC would pay the state for the water being trucked in which goes completely against the PRC Commission ORDER GRANTING UNOPPOSED EMERGENCY MOTION REGARDING EXECUTIVE ORDER AND INTERIM PROVISION OF WATER SERVICE. Because MRWC is listed as a Private Company for Profit, it is unclear of the actual financial stability MRWC is in. It is formally requested that these records be turned over within 20 days of receipt.

21. It is formally requested all records of water production and what was sold to the residents of Melody Ranch be turned over to PRC. This is due to a statement made by council for MRWC in a Status Conference Meeting of production for the month of September 2025, what was sold to customers and an 18,000 gallon loss of water for that month. In the November 5, 2025 Town Hall Meeting, Ms Padilla again stated that the loss was from local fire departments taking water. What makes these statements unclear is the 18,000 gallon loss was for the month of September with the system in a minimal operation. Fire hydrants were not active unless the system was operating and for the month of September there were approximately 47 hours of operation. It is the responsibility for Ms Padilla to show actual documentation from the local fire departments or the State Fire Marshal Office that they are responsible for this water loss. If Ms Padilla does not have the documentation, then the PRC needs to investigate what this water loss is. MRWC since 2011 on their annual reports averages

425,000 gallon water loss per year to local fire departments and there have not been any catastrophic emergencies that would need that much water in the area. This has been confirmed with Torrance County Office of Emergency Management (TCOEM).

22. In a statement made by Ms Padilla that in the past there was an illegal hook up to the MRWC system and was feeding water to another community. That would mean that the line had to go through an individual's property. A formal request to include all documentation of this statement regarding and should include the year and actual location of the incident and all parties involved.

23. In the Status Conference Meetings it should be noted that the Hearing Officer, Mr Patrick Schaefer, highly recommended MRWC to have communication with its customers as to the Breakdown and Disruption of Service. A Town Hall Meeting was established on September 24, 2025. Mr John Bogatko of the PRC Legal Division opened with a statement then council for MRWC, Mr Pete Dominici Jr made a statement. The floor was then opened to residents that were able to attend the meeting in person or by Zoom. In the next Status Conference Meeting, the council for MRWC made it sound to the Hearing Officer that the meeting was a success when in reality nothing was answered or addressed. In fact, the council for MRWC left the Town Hall Meeting in question well before its conclusion. It wasn't till the November 5, 2025 Town Hall Meeting when Ms Padilla admitted on the record that she was told by council not to say a word. Because of this action, Mr Schaefer, the PRC Hearing Officer and the PRC Commission should reprimand Mr Dominichi for going against the ORDER SETTING PREHEARING CONFERENCE AND RELATED DUTIES in paragraph 2-B, and council for MRWC in deceiving the Hearing Officer about the outcome of the 1st meeting. In other comments made by Ms Padilla in the November 5, 2025 Town Hall Meeting, unless a venue can be found at no cost to MRWC to hold a face to face Town Hall meeting, at an appropriate time when the working

residents could attend, will not happen. By looking at the financial statements of MRWC because of the rates its customers are paying and little being done by MRWC, there should be ample funds available for a face to face meeting. It should be the responsible action for MRWC to hold a face to face meeting with its customers to show transparency.

24. As stated above, the residents of Melody Ranch have not seen a water quality report in approximately 15 yrs. Each month MRWC is charging its customers a fee for gov.test expense. Since the residents have no knowledge of what tests are being performed or what the cost involved for these tests, a formal request is made for MRWC to furnish all information of water testing to include; what lab water samples are taken to, where each sample is taken from, what testing is being done and copies of receipts for payment. Also as stated above, not only copies of these tests are to be sent to each customer for MRWC, but copies of all information requested above be sent to each customer in Melody Ranch. This will not only show responsibility, but true transparency.

25. In the Town Hall Meeting on November 5, 2025, Ms Padilla mentioned that Rich Phillips was the System Operator. In speaking with NMED, the only operator listed is Daniel Chavez. It was mentioned by NMED that the System Operator not only regulates the maintenance required to the system but is also in charge of taking all the water samples and transporting them to a certified lab for testing. Because of the statement made in the Town Hall Meeting, a formal request is made for MRWC to furnish all credentials and certifications for Rich Phillips. These are to include System Operator status, any and all receipts of a certified lab for water samples to be tested and documentation of who is taking samples to the lab. If the proper credentials cannot be certified and in fact that Mr Phillips is doing the water sampling, NMED is to be notified immediately to change the status of water sample testing they have received.

26. On different occasions during this disruption of service, Mr Phillips has made statements to different customers about the system. On one occasion it was mentioned that the meter reading was ordered by the PRC. At another time in mid-July 2025, it was mentioned that MRWC had a permit to drill a new well but was waiting on the PRC to give permission. At a different time Mr Phillips said that if the residents wanted to know anything about any PRC visits or inspections, to look it up online. It is formally requested that MRWC confirm with the PRC Legal Division any and all communications but not limited to inspections, meter reading, permission for drilling a new well, inspections and any and all pertinent communications between the PRC and MRWC. This information is also to be made available to all customers of MRWC.
27. On examination of the annual reports furnished to the PRC since 2011-2024, the signature of the owner Kathleen B Smith changes several times. In looking at other documents that Kathleen B Smith has signed in 2008, there are questions of who is actually signing these documents. Because these documents are required by the State of New Mexico, it is formally requested that these state documents be examined by the New Mexico State Police and the New Mexico Department of Justice to ascertain the origin of these signatures. If it is determined that the signatures are not that of Kathleen B Smith, proper action should be taken.
28. During this disruption of service, there are residents that have had medical situations that with no water have made life extremely difficult not only in the prevention of infection, but the healing process. With these medical conditions there are residents that have had to risk the care they are or were receiving from physicians about weight limits that could be lifted. Because MRWC did not notify its customers as to the situation and the risk they put residents in, they need to be held responsible for their actions. These risks could have done permanent damage to the health and

wellbeing all the way to paralyzing some individuals. Before this system is turned over to EMWT, a formal request for the owner of MRWC to write a formal letter of apology directed to all the residents for the health hazard that this community has endured. This letter is also to be signed by the owner of MRWC.

29. On several occasions Ms Padilla has mentioned to the PRC Legal Division that there are certain individuals within the community that are using an excess of 8000 gallons of water per month. It is formally requested that MRWC give the PRC the names and phone numbers of those customers for their own investigation. That request will include MRWC to furnish the PRC any and all documentation of communications between MRWC and the customers being spoken of and any and all communications of those residents with MRWC.

30. MRWC has an open complaint for noncompliance with the USEPA regarding the Safe Drinking Water Act's Lead and Copper rule. It is formally requested that a complete explanation of this to the PRC and the noncompliance order be addressed immediately to the USEPA and to NMED.

It should be noted that if during the investigation of the above mentioned, if anything that comes up as being curious, abnormal to a utility and its function to service customers, that the investigation should and will include that information. If in fact that during this investigation, anything that can be construed as questionable to legalities, all information be turned over to the New Mexico Department of Justice for further investigation and prosecution if needed.

This community has suffered greatly by having no knowledge of what was going on for water service. This Formal Complaint is in

no way meant to be vindictive against MRWC, but with statements made by MRWC at different times both on and off record, the community has posed these questions and as MRWC has said that they want to be transparent. On October 30, 2025, MRWC sent a letter to its customers finally saying MRWC accepts responsibility. It has always been the responsibility of MRWC to keep their customers informed as well as all the proper entities that not only regulate but oversee the quality of water supplied to its customers.