

UTAH PUBLIC
SERVICE COMMISSION

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RECEIVED

Mr. Ross Hudson, PSC Utah
Box 45585
Salt Lake City, Utah 84515-0585

May 25, 2011

Re Mountain Sewer
Complaint Docket 11-097-01

Dear Mr. Hudson:

Enclosed is complainants' supplemental complaint in the above matter, with exhibits and summaries thereof.

A copy of all of this material was hand-delivered to Mountain Sewer this date, for your use in calculating its response date.

Very truly yours,



Frank J. Cumberland
On behalf of all complainants

EXHIBIT C

Docket # 11-097-01

Supplemental Complaint

Part One- Stormwater intrusion

The Complainants request that this supplement be added to our original Formal Complaint dated April 28, 2011.

On or about May 11, 2011, we were provided with additional information concerning the daily operation and maintenance (or lack of) of MS. This information further substantiated the poor overall condition of MS as reported in Exhibits A & B to the original formal complaint, along with the previously provided pictures and videos. This new information stresses the urgency of needed repairs because if any one item (let alone all items) were to occur, then a major catastrophe would not only happen to the Lakeside Village Condominiums (LSV), but also to Pineview Reservoir and all homes on the MS system.

Mr. Catanzaro has repeatedly told the PSC and the Weber County Commission that he may not be able to pay his bills due to his financial condition, especially his electric bill. Electricity to operate the pumps in the lift station is a very important piece of the daily operation of the sewer system. Mr. Catanzaro further stated that he had not paid his pump maintenance company for at least a year to the tune of several thousand dollars. That statement may have been withdrawn, but it was made nonetheless. The LSV condo manager received a call from an employee who had just quit (detailed later in this exhibit) also on May 11, to apprise us of the situation. It came out in their conversation that the actual amount owed the pump maintenance company was at least \$20,000; this amount came from the vendor himself in conversation with the ex-employee. From that conversation it is also our understanding that a similar situation exists with A-1, the pump truck company, making the vendor overall non-payment at least \$40,000. We have reason to believe these amounts as the figures came from the pump vendor. If A-1 has also not been paid, that would explain the slow response time of getting a pump truck on site March 16th, 2011. It also would explain the reticence of Mr. Catanzaro to request a second pump truck on the night of the incident until pressed to do so.

The employee who quit, along with another who quit at the same time, quit because they had not been paid for several months and were owed several thousand dollars. They would not divulge the exact figure owed. These two were responsible for monitoring the lift station three times a day, 365 days a year. The 3 times a day monitoring came about due to flooding of the condos (3 times prior) in 2004, 2005, and 2006. On April 20, 2006, following the third intrusion into condos, there was a meeting between the LSV HOA board and Mr. Catanzaro. Mr. Catanzaro agreed at this meeting to monitor the lift station three times a day and for the most part up until a few weeks ago MS has done a reasonable job of monitoring. Once we were apprised of the employees' quitting, the condominium on site manager contacted Mr. Catanzaro. He stated that the monitoring would be handled by himself, his son, or another individual he brought on. An "in case of emergency" number was given to the condominium on site manager and it is that of the new individual Mr. Catanzaro brought on. Mr. Kimball had a conversation with the condominium on site manager and as of May 19, 2011, he stated "they have not been there every day, much less 3 times a day". The on site manager did also state he had called Mr. Catanzaro again and lift station monitoring has picked up some but still not to the agreed level.

These items are of grave concern in that, combined, they constitute another disaster waiting to happen. Unless something is done quickly, it is no longer a matter of *if*; it is a matter of *when*. The condition of the system is suspect at best. We say this based on Mr. Kimball's personal inspection (and videos provided) of different

manholes and observation of the amount of water (mainly ground water intrusion) flowing vs. the small number of home owners (less than 1/3 of all the active users) on site on the system at the time of the observations in late March thru mid April.

With the March 16th flood there did not seem to be a sense of urgency on the part of Mr. Catanzaro (though he might disagree) until he was pushed. In light of some of the information above, we believe that the lack of urgency is easily explained. Currently, by the time an emergency call is made there is no guarantee that there will be a response. Given that two of the more important vendors have not been paid for over a year, at Mr. Catanzaro's admission, why if called should they respond without a guarantee of payment? If the lift station does malfunction and there is no pumping, basements of the same units will flood again and raw sewage will again overflow into Pineview. Even if A-1 elects to come, the condos will already be flooded.

The LSV Condominiums currently constitute about 75% of the approximately 125 active connections on the MS system. With that number, and the location of the lift station on the condominium property, LSV either the most to gain or lose depending on how well the MS system is maintained and operated.

The economic stakes of an MS failure are staggering. The overall condominium value (considering all 85 units plus amenities) is approximately \$21,000,000, generating about \$225,000 in property taxes. The other approximate 30 to 35 active users constitute roughly the same value and property tax numbers for a total value in the neighborhood of \$42,000,000 and approximately \$500,000 in total property taxes. The undeveloped lots with connection guarantees were not taken into consideration for value and tax purposes but they do fit into the overall equation. Currently the repairs to the thirteen condos that had the most significant damage (out of the 15 that had flood damage) from the March 16, 2011 flood, is well over \$500,000 and not all costs have been reported yet. Condo values already depressed by the economy have only been exacerbated by the flood of March 16, 2011. Any immediate and future condo sales going forward, will have to disclose the fact that there was sewer flooding (especially the units affected), further eroding the value of all units in the complex. It would be shameless to allow this to happen again especially once all the condo repairs are complete.

At the 4/20/06 meeting mentioned above, Mr. Catanzaro also agreed that the lines would be inspected once a year via camera. Mr. Catanzaro admitted on Friday, March 18, 2011 this had not been done as it was too expensive. The last camera inspection of MS occurred on July 10 & 11, 2000. Also in the 04/20/2006 meeting, with regard to the 2/28/06 flooding, there was an admission that there was a very significant amount of ground or storm water intrusion into the system due to the amount of rain fall that day. Historical weather data for 2/28/06 shows high temp 60 degrees, low temp 34 degrees, and precipitation 0.38 inches. For the two days prior to 2/28/06, the data is as follows: 2/26/06 high temp 57 degrees, low 33 degrees and precipitation 0.00. For 2/27/06 high temp 64 degrees, low temp 44 degrees, and precipitation 0.00. Even considering snowmelt due to the abnormally high temperatures, the "torrential rain" defense is as empty for 2006 as it is for 2011.

There clearly exists a point or points of stormwater or groundwater intrusion to the MS sanitary system that existed as far back as 2006, and only a full "scope" of the system will disclose where they are. Further, inasmuch as those intrusion points are the result of faulty design, faulty construction, and/or faulty maintenance of the system, the users of the system should hardly be penalized by adding diagnostic and repair costs to the rate base; those costs should be paid through a holdback from the proceeds of the sale of MS to which Mr. Catanzaro has referred. Barring such a holdback, the work will not be done, or will be done and never paid for. The PSC no doubt has the power to order such a remedy as part of its approval process relating to the sale.

Part Two

Financial Irregularities

The Complainants are asking that the PSC authorize and conduct a complete audit of Mountain Sewer Corp. records from at least as far back as 2002 to present day to ensure that all PSC approved tariff rates have been adhered to by Mountain Sewer Corp. While this is an extended period of time for an audit, the billing irregularities appear to extend back at least nine years, and probably more, but were just discovered this year.

After discussions with numerous Mountain Sewer customers, we encountered several billing irregularities regarding the regulated connection fees, pre-connection or standby sewer fees, and unbilled monthly sewer fees. In addition, there are indications of disregard of individual corporate entities, and possible comingling of funds between and among Mountain Sewer Corp., Lakeview Water Corp., and Mr. Catanzaro's other corporations, including his personal finances.

Due to our limited access to Mountain Sewer's accounts and actual billing records, these irregularities have been identified by an examination of documents and communications sent from Mr. Catanzaro to some of his Mountain Sewer customers. The dates of the data range from 2002 through the present year. Attached as Exhibits C1, C2, C3, C4, and C5 are examples of these documents along with explanations of what we believe each shows. In our judgment, the fact that so many irregularities were so easily discovered with literally no access to Mountain Sewer's books and records, that the existence of more such irregularities is a virtual certainty, and that the period of Mountain Sewer's "cowboy accounting" in flagrant violation of PSC rules and regulations may well extend back to its very founding.

The Complainants assert that the attached documents provide irrefutable evidence of overcharges, undercharges, and quite possibly fraud on the part of Mountain Sewer in direct violation of the corporation's approved PSC tariffs.

The Complainants also state that these documents, some going back nine years, indicate a serious breach of the public trust regarding uniform fees and rates that are required by a regulated utility. These examples also indicate that collectively there may be significant fees paid by some Mountain Sewer users as overpayments while others were not billed the correct fees, or were never billed at all for PSC-approved fees.

These examples also bring into question whether the PSC-approved sewer tariff for hook-up fees waived or discounted by Mr. Catanzaro for some lots were ever deposited into Mountain Sewer's account by him or by Ski Lake Corp. as developer. If not, this not only violates the tariff but also negatively impacts the operational funds available to Mountain Sewer for proper maintenance of the sewer system. It will also put an unfair burden on Mountain Sewer's customers should an increase in the monthly sewer user fee and/or a supplemental sewer bill be imposed on users for sewer system repairs. In point of fact, the manifest irregularities in billings and collections should make it impossible for Mountain Sewer to demonstrate a need for an increase in rates.

Any tariff-approved fees found to be missing from Mountain Sewer's accounts as the result of a complete audit of its books and records should be the responsibility of Mountain Sewer and Mr. Catanzaro only, and not passed on to the users via a rate increase . Further, given Mr. Catanzaro's recent poverty claims, Complainants respectfully submit that the only manner in which Mountain Sewer can be made whole is for the PSC to order that the funds necessary to make Mountain Sewer whole and to perform the necessary diagnostics and repairs be withheld from the proceeds of the sale to which he has referred.

The Complainants are confident that a complete and comprehensive audit from at least 2002 forward will identify numerous other irregularities in the records of Mountain Sewer and Lakeview Water Corporations. In truth, such an audit should proceed from the present backwards, and should continue for as many years as irregularities come to light. Anything less will fail to reveal the true extent of Mountain Sewer's transgressions, and will operate to the detriment of Mountain Sewer's ratepayers.

February 26, 2002

Dean Vegosen, Trustee of the Ski Lake Land Trust
1617 N. Flagler Dr. #9A
West Palm Beach, FL 33407

RE: Your purchase of Lot 13, THE SUMMIT AT SKI LAKE NO. 3, Weber County, Utah.

Dear Mr. Vegosen:

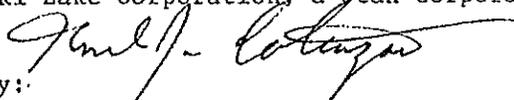
That in consideration of your completing closing of the above referenced property the undersigned, as seller, represents and further warrants, that survives closing the following, to-wit:

- (a) the property is environmentally clean.
- (b) there are no unusual soil conditions like rock, muck, etc. which would necessitate extra costs of excavating or building, that are not common in the general area.
- (c) all utilities necessary for a home and appurtenances on the property are at the property line and there are no impact or hook up fees that will be due for them (just regular charges based on use).

Also, the undersigned seller acknowledges that the \$900.00 Architectural Review fee is waived.

Sincerely,

Ski Lake Corporation, a Utah corporation


By:
Ronald J. Catanzaro
its President

Fees: T. Summit At Ski Lake Gated Community
(Amounts and Payment Schedule Subject To Change)

Prior to Connection

Culinary Water Fee= \$8.00/mo.= \$96.00 annually
Annual water fee to be paid in advance, due Jan.1 unless otherwise specified.
Sewer Fee= \$11.00/mo.= \$132.00 annually
Annual sewer fee to be paid in advance, due Jan. 1 unless otherwise specified.

After Connection

Culinary Water Fee= 0 to 12,000 gallons consumed= Monthly Rate of \$16.00
12,000 to 15,000 gal.= \$16.00 plus \$1.50 per 1,000 gal. in
excess of 12,000 gal.
15,000 to 25,000 gal.= \$20.50 plus \$1.75 per 1,000 gal. in
excess of 15,000 gal.
25,001 gal. or more= \$38.00 plus \$2.25 per 1,000 gal. in excess
of 25,000 gal.

Monthly water fees are due by the 1st of each month.

Sewer Fee= \$22.00/mo. due by the 1st of each month.

Home Owners Association Fee= \$50.00/mo. to be paid quarterly on the 1st of the
month following each quarter. (Jan.-Mar., April- June, July-Sept., Oct.-Dec.)

Please:

Make checks for HOA fees payable to: TSASLGCA (The Summit At Ski Lake Gated
Community Association).

Make checks for culinary water fees payable to: Lakeview Water Corp.

Make checks for sewer fees payable to: Mtn. Sewer Corp.

All checks should be mailed to: 932 Ski Lake Dr., Huntsville, UT 84317

Please direct all inquiries to: 801.745.3004

Thank-you for your cooperation.

Bob Keiser, Trustee 3/1/02
Buyer Signature Date Buyer Signature Date

Exhibit C2 A & B1 & 2

Supplement to Formal Complaint against Mountain Sewer Corporation

Summary: Exhibit C2 A - Buyer's Final Closing Statement

Property owner: Lawrence and Sharon Zini

Property address: 6618 E. Via Cortina

Lot 9, The Summit at Ski Lake No. 3 subdivision

The document Buyer's Final Closing Statement dated June 4, 2004 prepared by Cardon Land Title Company, Ogden, UT for the purchase of Lot 9, The Summit at Ski Lake No. 9, a subdivision, from Ron Catanzaro shows water and sewer hook-up fees of \$4,500. The fees are not individually broken down as to how much moneys went to each utility, Mountain Sewer and Lakeview Water. A copy of the Real Estate Purchase Contract signed by Ron Catanzaro delineating the hook-up fees for water and sewer to be \$4,500 can also be produced if required by the PSC.

The PSC approved tariff in effect in 2004 for Mountain Sewer hook-up fees was \$3,000. The approved tariff for Lakeview Water at the time of this escrow was \$1,000. Mr. Catanzaro violated the tariffs by overcharging for the hook up fees.

Summary: Exhibit C2 B1 - Fees: The Summit at Ski Lake Gated Community and, B2 - Letter dated May 18, 2011 from Mountain Sewer

Property owner: Lawrence and Sharon Zini

Property address: 6618 E. Via Cortina

Lot 9, The Summit at Ski Lake No. 3 subdivision

The document Fees: The Summit at Ski Lake Gated Community signed by Mr. and Mrs. Zini on June 23, 2004 lists:

- Prior to Connection (standby) fees for culinary water is \$8.00 a month, to be paid annually in advance
- Prior to Connection (standby) fees for sewer is \$11.00 a month, to be paid annually in advance

As with Exhibit 1 B this document indicates Mountain Sewer Corp. and Lakeview Water Corp.'s continued attempt to collect unauthorized funds from lot owners in The Summit at Ski Lake. The Zini payments of the unauthorized Prior to Connection (standby) sewer fees was brought to the attention of Mountain Sewer who responded May 18, 2011 (Example 2 B2) with a refund check of \$198 and a letter from Mr. Catanzaro stating that the Prior to Connection \$11 fee for sewer was a 1/2 payment in advance on the \$22 monthly sewer bill.

There is no PSC authorized tariff for Mountain Sewer to bill 1/2 payment in advance on the monthly sewer bill.

Date: 22-Jun-04 Time: 04:27 PM

BUYER(S) FINAL CLOSING STATEMENT ✓

Prepared by
CARDON LAND TITLE COMPANY
670 12th Street
Odgen, Utah 84404
Phone: (801) 393-5383
Fax: (801) 393-6611

Buyer(s): THE ZINI TRUST
Seller(s): RONALD J. CATANZARO
Lender:
Property: Lot 9 THE SUMMIT AT SKI LAKE NO. 3
Closing Date: 07/01/2004 Proration Date: 07/01/2004
Escrow Officer: Sue Anthony/Jones
File Number: 04052662

SALES PRICE 169,000.00

PLUS CHARGES:

MISCELLANEOUS ADJUSTMENTS:		
✓ WATER AND SEWER HOOK-UP FEE	4,500.00	
ESCROW CHARGES:		
Settlement or Closing Fee	125.00	
PAYEE: METRO NATIONAL TITLE		
Document Preparation Fee	25.00	
PAYEE: METRO NATIONAL TITLE		
RECORDING FEES/TRANSFER CHARGES:		
Recording Fees Deed amount \$14.00	14.00	
MISCELLANEOUS CHARGES:		
Express Mail Fees	40.00	
PAYEE: METRO NATIONAL TITLE		
	TOTAL CHARGES:	4,704.00
	GROSS AMOUNT DUE FROM BUYER:	173,704.00

LESS CREDITS:

DEPOSITS:		
Earnest Money Deposit	10,000.00	
PRORATIONS:		
County Taxes	573.73 ✓	
from 01/01/04 to 07/01/04 @ \$ 3.15238 per day		
	TOTAL CREDITS:	10,573.73
	BALANCE DUE FROM BUYER:	163,130.27

My signature hereon acknowledges approval of tax prorations, and signifies my understanding that prorations were based on figures for preceding year, or estimates for current year, and in event of any change for current year, all

Exhibit C2B1

11-097-01

Ron Catanzaro
391-4682

Fees: The Summit At Ski Lake Gated Community
(Amounts and Payment Schedule Subject To Change)

✓ Prior to Connection

Culinary Water Fee= \$8.00/mo.= \$96.00 annually
Annual water fee to be payed in advance, due Jan. 1 unless otherwise specified.

✓ Sewer Fee= \$11.00/mo.= \$132.00 annually
Annual sewer fee to be paid in advance, due Jan. 1 unless otherwise specified.

After Connection

Culinary Water Fee= 0 to 12,000 gallons consumed= Monthly Rate of \$16.00
12,000 to 15,000 gal.= \$16.00 plus \$1.50 per 1,000 gal. in excess of 12,000 gal.
15,000 to 25,000 gal.= \$20.50 plus \$1.75 per 1,000 gal. in excess of 15,000 gal.
25,001 gal. or more= \$38.00 plus \$2.25 per 1,000 gal. in excess of 25,000 gal.

Monthly water fees are due by the 1st of each month.

Sewer Fee= \$22.00/mo. due by the 1st of each month.

Home Owners Association Fee= \$75.00/mo. to be payed quarterly on the 1st of the month following each quarter. (Jan.-Mar., April- June, July-Sept., Oct.-Dec.)

Please:

Make checks for HOA fees payable to: TSASLGCA (The Summit At Ski Lake Gated Community Association).

Make checks for culinary water fees payable to: Lakeview Water Corp.

Make checks for sewer fees payable to: Mtn. Sewer Corp.

All checks should be mailed to: 932 Ski Lake Dr., Huntsville, UT 84317

Please direct all inquiries to: 801.745.3004

Thank-you for your cooperation.

Sharon Zini 6-23-04
Buyer Signature Date

Ron Catanzaro 6-30-04
Buyer Signature Date

Exhibit C2B2
11-097-01

Rec'd 5-20-2011

May 18, 2011

Larry Zini

6618 E Via Cortina

Huntsville, Utah 84317

Dear Mr. Zini,

The Summit at Ski Lake Gated Community Payment Schedule you attached to your recent letter to me does not use the word "stand by fee" in association with the \$11 monthly sewer fee it lists. It is a ½ payment in advance on the \$22 monthly sewer bill.

You are quite correct this should have been credited to your actual bill when your sewer connection became active. Thank you for pointing out this oversight on Mountain Sewer's part. MSC is hereby refunding the \$198 dollars due you.

Respectfully yours,

Ron Catanzaro



President,

Mountain Sewer Corp.

Copy To:

Ross Hudson

Utah PSC

Fax 801-530-6796

Exhibit C3 A & B

Supplement to Formal Complaint against Mountain Sewer Corporation

Summary: Exhibit C3 A - Fax dated 12/10/09 to Ron Catanzaro

Property owner: Jeffery Larsen

Property address: 943 S. Meadow Lark Lane, Huntsville

Lot 10, The Chalets at Ski Lake subdivision

The fax to Ron Catanzaro dated 12/10/09 and received by Mr. Catanzaro's fax machine on 12/10/09 requests Mr. Catanzaro to set up both water and sewer accounts for Mr. Larsen at 943 S. Meadow Lark Lane.

Summary: Exhibit C3 B Mountain Sewer Corp. Invoice #130

Property owner: Jeffery Larsen

Property address: 943 S. Meadow Lark Lane, Huntsville

Lot 10, The Chalets at Ski Lake subdivision

Mountain Sewer invoice #130 dated 4/15/11 was the first sewer and water billing received by Mr. Larsen since requesting both be established per his fax to Ron Catanzaro on 12/10/09, sixteen months before.

Invoice #130 reflected the current monthly sewer fee and the minimum monthly water fee plus a back billing of 6 months for each. By failing to respond to Mr. Larsen's initial request to establish sewer and water accounts Mr. Catanzaro has deprived both utilities of approved revenues, both the monthly sewer fees and monthly usage fees for water for a ten month period of time.

TRANSACTION REPORT

DEC/10/2009/THU 03:14 PM

FAX(TX)

#	DATE	START T.	RECEIVER	COM. TIME	PAGE	TYPE/NOTE	FILE
001	DEC/10	03:13PM	18017453131	0:00:21	1	OK	ECM 5582

12/10/09

To: Ron Cotenzaro

Fax: 801-745-3131

From: Jeff Larsen

Ph: 801-389-3421

As per our discussion, please set up our
water + sewer account for 943 S
Meadowlark Ln, Huntsville, UT 84317. I believe
this is Lot 10.

Thanks

Jeff

MOUNTAIN SEWER CORPORATION

P O BOX 314
HUNTSVILLE, UT 84317
801 745 3856

Invoice

Date	Invoice #
4/15/2011	150

Bill To
JEFFREY LARSEN 943 MEADOW LARK LANE HUNTSVILLE, UT 84317

P.O. No.	Terms	Project
	2 % OVER 30 DAYS	

Quantity	Description	Rate	Amount
	SEWER FEE	22.00	22.00
	PREVIOUS BALANCE----PREVIOUS 6 MONTHS	132.00	132.00
Please remit to above address.		Total	\$154.00

P.O. No.	Terms	Project
	2% OVER 30 DAYS	

Quantity	Description	Rate	Amount
	Water Fee	35.00	35.00
	Meter Reading-		
	Gallons Used		
	Previous Balance--PREVIOUS 6 MONTHS	210.00	210.00
<i>pd @ 8800</i> <i>\$/399.00</i>			
Please remit to above address.		Total	\$245.00

Exhibit C4

Supplement to Formal Complaint against Mountain Sewer Corporation

Summary: Exhibit C4 - Letter Dated February 21, 2011 from Mountain Sewer Corp. and Lakeview Water Corp.

Property owner: East of Eden, LLC

Property address: Lot 15, The Chalets at Ski Lake Phase 4 subdivision

The February 21, 2011 letter from Mountain Sewer Corp. and Lakeview Water Corp. signed by Ron Catanzaro states that the \$4,000 water hook-up fee and \$3,000 sewer hook-up fee be paid at lot closing. The Mountain Sewer and Lakeview Water tariffs say no such thing. The hookup fees need only be paid prior to connection to utility lines.

Since the hookup fees on this lot were not paid at closing Mr. Catanzaro's letter offered, as an incentive, a combined fee of \$4,000 which would constitute paying the water and sewer hook-up fees in full. The discounted rate was valid only through March 20, 1011.

The PSC-approved tariffs for hook-up fees for Mountain Sewer Corp. and Lakeview Water Corp. (effective January 2008) are \$3,000 and \$3,500 respectively. If Mr. Catanzaro has been collecting \$7,000 combined for the water and sewer hook-up fees for the Chalets, or any other subdivision, he is violating the approved tariffs for his utilities by overcharging to the tune of \$500.

We are advised that the owners of other lots in Phase 4 of the Chalets received this letter, but we do not know how many accepted Mr. Catanzaro's incentive offer. However, once again Mr. Catanzaro is in violation of PSC approved tariffs by offering, and/or accepting payment of a discount rate on regulated hook-up fees for Mountain Sewer Corp. and for Lakeview Water Corp.

Mountain Sewer Corporation
Lakeview Water Corporation
932 Ski Lake Drive
Huntsville, Utah 84317
Ron Catanzaro, MD, President

February 21, 2011

East of Eden, LLC
365 Juniper Ct.
Delafield, WI 53018

To whom it may concern,

Upon sale of a lot in any of the developments served by Lakeview Water Corporation and Mountain Sewer Corporation it has been required that the \$4,000.00 water hook up fee and the \$3,000.00 sewer hook up fee be paid at lot closing.

In Phase 4 of The Chalets at Ski Lake some of the lot sales honored this requirement and both hook up fees were paid in full at closing. Some did not honor this requirement and no fees were paid. Yours was one of the lot closings that neither of these hook up fees were paid.

After much preparation Mountain Sewer Corporation is moving ahead to increase its sewer hook up fee by a substantial amount in the near future. We are confident of our success in this effort.

As an incentive to correct the non payment of the sewer and water connection fees which are still outstanding on your property, the water and sewer companies are offering a one time opportunity to pay these fees at a greatly discounted rate. Instead of the \$7,000.00 current combined fee (\$4,000.00 water fee and \$3,000.00 sewer fee) or an even greater fee with the anticipated raise in the near future in the sewer hook up portion of the combined current fee, we are offering a combined fee of \$4,000.00 which would constitute paying the water and sewer hook up fees in full. This offer is good until March 20, 2011. A check for \$4,000.00 made payable to Lakeview Water - Mountain Sewer Corporation and mailed to 932 Ski Lake Drive Huntsville, Utah 84317 must be received by the March 20, 2011 date to take advantage of this discounted rate.

If you were to sell or build on your lot the issue of paying these hook up fees in full at lot closing or when applying for your building permit would no longer be an issue as these fees would have been paid in full at the discounted rate.

Upon receipt of your \$4,000.00 check we will consider the water and sewer hook up fees to be paid in full on your lot number 15.

Sincerely,

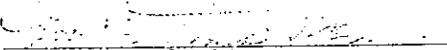

Ron Catanzaro, MD, President

Exhibit C5

Supplement to Formal Complaint against Mountain Sewer Corporation

Summary: Exhibit C5- Bill from "Lakeview Water & Sewer"

Property Owners: Frank & Patricia Cumberland

Property address: 6687 E. 1100 S., Huntsville

Lot 17, Ski Lake Estates

For some years, water and sewer bills were received on the billhead of the respective utility company, and payments were made by separate check to both of the utilities. Some time in 2010, we believe, the bill for the standby fee for Lakeview Water began to be received on billhead styled "Lakeview Water & Sewer." After receipt of a few bills styled in that manner, the customer began writing one check, payable to Lakeview Water & Sewer, for the water usage at the occupied home at 6563 E. 1100 S., the sewer usage at that same location, and the standby water fee for the vacant property at 6687 E. 1100 S. The customer has no way of knowing if the various charges are split out and the proper amounts credited to each utility after receipt at the common post office box, but the customer has been unable to find any record of an entity called "Lakeview Water & Sewer."

Exhibit C5
11-097-01

Invoice

LAKEVIEW WATER & SEWER

P O BOX 314
HUNTSVILLE, UTAH 84317
801-745-3856

Date	Invoice #
5/15/2011	10

Bill To
FRANK CUMBERLAND 6563 E 1100 S HUNTSVILLE, UTAH 84317

P.O. No.	Terms	Project
	2% 10 Net 30	

Quantity	Description	Rate	Amount
1	STAND BY FEE	10.00	10.00
Please remit to above address.		Total	\$10.00