

Pre-filed Testimony: Docket # 13-2477-02

Dustin and Brenda Bates

19694 South Elkhorn Circle Birdseye, Utah 84629

We are the second owners of our home that is located at Plat A Lot 67 or 19694 South Elkhorn Circle in Eagles Landing. We purchased this home from David W Olsen, which had been rented to a family prior to us purchasing it. It also clearly states in our real estate purchase contract that any items that are not to be included/excluded in the sale of the home are to be listed and the provided spaces are clearly left blank. (See attached paper) Therefore, we feel that the \$100 hookup fee and the \$4,000 meter installation fee, (Also Attached) is not our bill to pay.

After purchasing the home we contacted the water company who then started sending us a bill in the mail, there was no contract signed stating a hook up fee, meter installation fee, we did not even receive a copy of the tariffs stating that we should only be billed \$35 per month, when we were being billed \$55 per month.

In June 2013 we installed a swimming pool at our house. Prior to installing the pool we contacted Dave Olsen concerning filling the pool with water. He told us that it wasn't a big deal; I insisted that we pay for an additional month of water (10,000 gallons @ \$55) for filling the pool. (A copy of the check in addition to our normal monthly payment attached)

Before the informal complaint on this issue was filed with the Utah Department of Water Services, I contacted Dave Olsen by phone to address the situation. I have attached a copy of the conversation I had with him.

In addition, to this we currently have our home in Eagles Landing on the market and this issue must be disclosed to any potential buyers. This issue has defiantly caused some buyers to be very hesitant in purchasing our home, which in turn has caused a financial hardship for my family.

With that being said, I feel that Eagles Landing Water Company should issue us a credit for \$520. This is being calculated using the tariffs approved by the Utah Department of Water Services.

4 Months should be billed at \$10 per month (standby fee)

17 Months should be billed at \$35 per month

Dustin and Brenda Bates



REAL ESTATE PURCHASE CONTRACT



This is a legally binding Real Estate Purchase Contract ("REPC"). Utah law requires real estate licensees to use this form. Buyer and Seller, however, may agree to alter or delete its provisions or to use a different form. If you desire legal or tax advice, consult your attorney or tax advisor.

OFFER TO PURCHASE AND EARNEST MONEY DEPOSIT

On this 21st day of December, 2011 ("Offer Reference Date") Dustin Bates ("Buyer") offers to purchase from Dan Olsen ("Seller") the Property described below and delivers to the Buyer's Brokerage with this offer, or agrees to deliver no later than four (4) calendar days after Acceptance (as defined in Section 23), Earnest Money in the amount of \$1,000.00 in the form of check. After Acceptance of the REPC by Buyer and Seller, and receipt of the Earnest Money by the Brokerage, the Brokerage shall have four (4) calendar days in which to deposit the Earnest Money into the Brokerage Real Estate Trust Account.

Buyer's Brokerage: Keller Williams Salt Lake City Phone: 801-326-8800
Received by: _____ on _____ (Date)
(Signature above acknowledges receipt of Earnest Money)

OTHER PROVISIONS

1. PROPERTY: 19694 S ELKHORN CIR. Spanish Fork, Utah County, UT 84660 also described as: TAX ID 38-311-0087 City of Spanish Fork, County of Utah, State of Utah, Zip 84660 (the "Property"). Any reference below to the term "Property" shall include the Property described above, together with the Included Items and water rights/water shares, if any, referenced in Sections 1.1, 1.2 and 1.4.

1.1 Included Items. Unless excluded herein, this sale includes the following items if presently owned and in place on the Property: plumbing, heating, air conditioning fixtures and equipment; ovens, ranges and hoods; cook tops; dishwashers; ceiling fans; water heaters; light fixtures and bulbs; bathroom fixtures and bathroom mirrors; curtains, draperies, rods, window blinds and shutters; window and door screens; storm doors and windows; awnings; satellite dishes; affixed carpets; automatic garage door openers and accompanying transmitters; security system; fencing and any landscaping.

1.2 Other included items. The following items that are presently owned and in place on the Property have been left for the convenience of the parties and are also included in this sale (check applicable box): washers dryers refrigerators water softeners microwave ovens other (specify) Microwave; Range

The above checked items shall be conveyed to Buyer under separate bill of sale with warranties as to title.

1.3 Excluded Items. The following items are excluded from this sale: _____

1.4 Water Service. The Purchase Price for the Property shall include all water rights/water shares, if any, that are the legal source for Seller's current culinary water service and irrigation water service, if any, to the Property. The water rights/water shares will be conveyed or otherwise transferred to Buyer at Closing by applicable deed or legal instruments. The following water right/water shares, if applicable, are specifically excluded from this sale: _____

2. PURCHASE PRICE. The purchase price for the Property is [REDACTED]. Except as provided in this Section, the Purchase Price shall be paid as provided in Sections 2(a) through 2(d) below. Any amounts shown in 2(b) and 2(d) may be adjusted as deemed necessary by Buyer and the Lender.

- \$1,000.00 (a) Earnest Money Deposit. Under certain conditions described in the REPC, this deposit may become totally non-refundable.
 - \$To be determined (b) New Loan. Buyer may apply for mortgage loan financing (the "Loan") on terms acceptable to Buyer. If an FHA/VA loan applies, see attached FHA/VA Loan Addendum.
 - \$ (c) Seller Financing (see attached Seller Financing Addendum)
 - \$To be determined (d) Balance of Purchase Price in Cash at Settlement
- [REDACTED] PURCHASE PRICE. Total of lines (a) through (d)

3. SETTLEMENT AND CLOSING.

3.1 Settlement. Settlement shall take place no later than the Settlement Deadline referenced in Section 24(d), or as otherwise mutually agreed by Buyer and Seller in writing. "Settlement" shall occur only when all of the following have been

Eagles Landing Water Company, LLC

PO Box 970729
 Orem, UT 84097

Invoice

Date	Invoice #
10/24/2013	565

Bill To
Dustin and Brenda Bates HC-13 Box 313 Fairview, UT 84629

Present Reading	Previous Reading	Total Consumption	Water Billing Cycle	Due Date
				10/31/2013
Qty	Item	Description	Rate	Amount
1	Hook Up Fee	Hook Up Fees	100.00	100.00
			Total	\$100.00

Eagles Landing Water Company, LLC

PO Box 970729
Orem, UT 84097

Invoice

Date	Invoice #
10/24/2013	555

Bill To
Dustin and Brenda Bates HC-13 Box 313 Fairview, UT 84629

Present Reading	Previous Reading	Total Consumption	Water Billing Cycle	Due Date
				10/31/2013
Qty	Item	Description	Rate	Amount
1	MTR	Meter Set	4,000.00	4,000.00
			Total	\$4,000.00

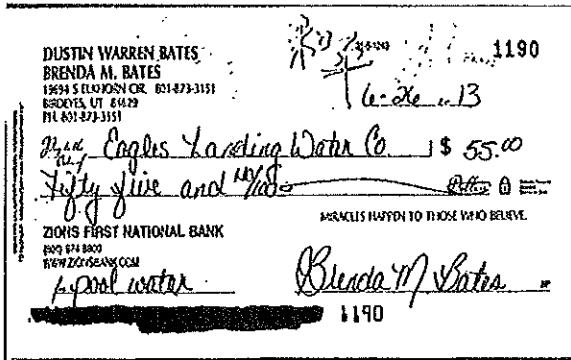
Font Size

Font Size

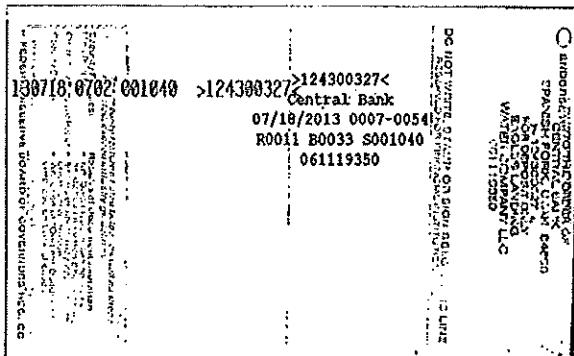
Font Size

Account: Basic Checking [REDACTED]
 Description: CHECK
 Amount: 55.00
 Status: Cleared
 Customer Reference Number: 1190
 Transaction: Check 1190
 Date Cleared: July 19, 2013
 Date Initiated: July 19, 2013

Font Size



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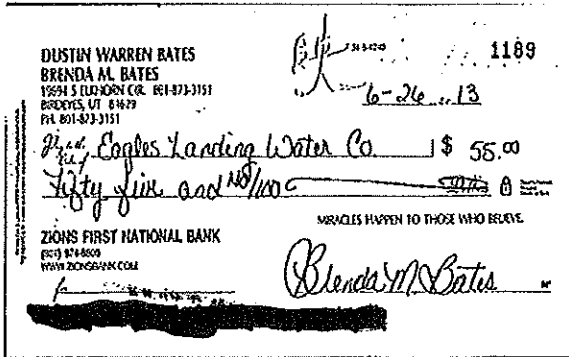
Font Size

Home > My Account > Transactions

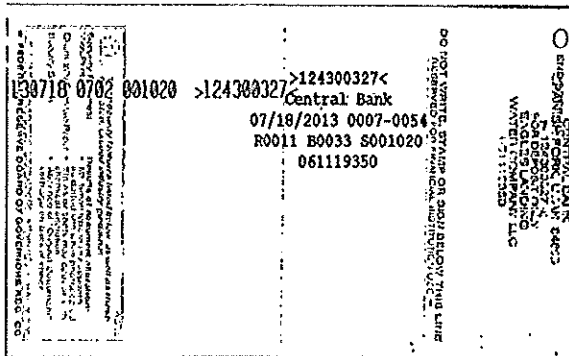
View Transaction Description Printable View
Transaction Information

Account: Basic Checking - xxx01889
 Description: CHECK
 Amount: 55.00
 Status: Cleared
 Customer Reference Number: 1189
 Transaction: Check 1189
 Date Cleared: July 19, 2013
 Date Initiated: July 19, 2013

Note: Check and Debits typically arrive within 1-3 days and are available online. Funds may be withdrawn by debit card or by using the
 check card. To ensure your card works, it is scheduled to be renewed every Saturday at 1:00 PM and then expires the last day of each
 month at 11:59 PM. If the expiration date is not displayed on your card, please refer to the expiration date on the envelope. We will notify you by
 email when your card expires.



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Dave Olsen Conversation

Below is the conversation I had with Dave Olson after receiving a bill for water meter installation and hook up to an existing home that was purchased from him.

My conversation with Dave Olsen started out by me letting him know my name and the lot number that we own in the Eagles Landing Sub Division. He then said, you live in the house that has the swimming pool, I replied, Yes, but we contacted you prior to filling the pool and paid an additional \$55 (a full months water bill) when we filled our pool.

I then informed Dave that I am refusing to pay the \$4,100 bill for the installation of the lines and water meter that were installed when the house was built. Dave, then told me that by the tariffs of Eagles Landing Water company there is a fee of \$4,100 for connection and meter installation and it did not show in their books where the fee had been paid for the meter installation and plumbing, I said that is not my problem.

I then informed Dave that when we purchased our house and closed on it, at Bachman Title Company, which we were told we had to use at the time of closing, there is an area in the HUD paperwork where if there were any outstanding fees or liens, they were to be listed, and the area to list these items is clearly blank and that he had initialed and dated the bottom of the page, therefore I feel this isn't my bill.

Dave went on to tell me that he would have to shut the water off to my house unless I paid the fee, like the Gassers, Orrs, and Butterfields. I then told him, they paid the connection fee because they built their own homes. He built the home that we now own so he should have paid the fee when the house was built. He replied that he didn't build the home, there was a building company that built the home, he was just the developer. He then said that M&T bank should be liable for part of the bill. I asked who M&T bank was because I have never heard of them. He informed me that they were the mortgage company that financed the home before we bought it. I then told him again that I'm not sure who is responsible for the bill, but I know it's not me. I continued on to tell him that he owes me a refund, if he is now going to operate from his tariffs because he has been over charging me per month for water since we bought the home. He told me that he didn't owe a refund because of overages in water use in the summer months, because the people that lived in the house before we bought it had a \$400 water bill in one month. I informed him once again that, that is not my problem.

Dave then went on to tell me that Eagles Landing Water Company can't continue to operate like it has been, because it is losing money and some repairs were performed on the level sensing system and he has a \$4,000 outstanding balance with the repair company. I replied, that it is unfortunate for him that the Eagles Landing Sub Division didn't grow to its full capacity to where the water company could turn the profits that were initially calculated, but that is not my fault.

Dave then told me that if the fees weren't paid that the company wouldn't have the money to operate and the water pump would have to be turned off. I told him that I didn't think you can just turn off a

public utility like that. He went on to inform me that Eagles Landing Water Company is not a public utility and he would have no other choice.

I, then informed, Dave, that we are in the process of selling our home and that this dilemma has to be disclosed to any perspective buyers for our house. That I feel since he built the house and had people previously living in the house, this is not our bill and we need a certified letter stating that the bill is paid in full or we are relieved of any obligation to this bill so that we don't lose any buyers for our home.

He said he could not do that since we had not paid the bill. I replied that I have no other option then to seek legal action against him. He then suggested that I buy water rights and drill my own private well. I informed him that I couldn't do that because of the CC&Rs of the sub division. He told me that those could be changed. I replied that I would have to secure an attorney to get that done, so what would be the difference. He then went on to tell me what a headache having your own well is and I informed that it isn't, dealing with all of this is a headache.

I continued on to tell Dave that this conversation was going nowhere and that I have no choice but to seek an attorney and take this matter to court. He angrily told me to let him know in writing, what my plans were to proceed with this matter and hung the phone up on me before giving me the address to mail the notification to.

My family and I are hopeful that this situation can be resolved quickly as a threat to shut the water off to our house that is currently on the market has already detoured perspective buyers, which in turn causes a financial hardship for my family.

Sincerely,

Dustin Bates