

Antonio Gill

**Montezuma Rimrock
Water Company
W-04254A-08-0361
W-04254A-08-0362**

ORIGINAL



0000124839

From: [Redacted]
Sent: Tuesday, April 19, 2011 10:57 AM
To: Rebecca Wilder; Brian Bozzo; Kennedy-Web; Stump-Web; Newman-Web; Burns-Web; Pierce-Web
Cc: Howard Shanker; Steven Ayers
Subject: Re: MRWC illegal collection of arsenic treatment fees

Rebecca, Your response is totally inadequate.

The commission knows MRWC illegally collected an arsenic fee.

The commission knows MRWC is building a pipeline with "out of pocket" funds or a "personal" loan.

The commission has a duty to determine whether Ms. Olsen used even a dime of the illegally collected money on this project, or, in any way used the "arsenic surcharge" as collateral to obtain a "personal" loan to finance construction of the project.

This company has destroyed its credibility, yet the commission staff continues to bend over backward and allow it to operate with impunity. Why?

This company has lied to WIFA, resulting in the loss of federally subsidized loan.

This company has illegally collected money from its customers.

This company has ignored county zoning laws.

Once again, I demand that a Cease and Desist order on the construction project until the commission determines the source of funds for this project and whether any money whatsoever from illegal collected arsenic treatment fee was used to pay for the project and/or used to collateralize a "personal" loan.

Sincerely

Arizona Corporation Commission
DOCKETED
APR 27 2011

On Tue, Apr 19, 2011 at 10:34 AM, Rebecca Wilder <RWilder@azcc.gov> wrote:

DOCKETED BY [Signature]

Mr. Dougherty,

The Commission learned late Friday that MRWC had charged an arsenic surcharge on their most recent bill to customers. Once we learned of this, the Commission told the company to stop charging the surcharge and to refund the amount paid by anyone who has already paid it.

From: John Dougherty [<mailto:jd.investigativemedia@gmail.com>]
Sent: Tuesday, April 19, 2011 10:10 AM
To: Brian Bozzo; Rebecca Wilder
Cc: Howard Shanker; Steven Ayers

RECEIVED
2011 APR 27 P 2:00
AZCC COMMISSION
DOCKET CONTROL

Subject: MRWC illegal collection of arsenic treatment fees

Dear Rebecca and Brian, Mr. Steve Ayers, a Camp Verde reporter, informed this morning that the Commission has determined that MRWC was improperly collecting an arsenic mitigation fee from its customers.

Mr. Ayers says this has been going on for at least one month.

This illegal collection comes at the same time that MRWC has suddenly come up with money to privately pay for construction of the pipeline that links Well No. 4 to the proposed location of the arsenic treatment plant 2,000 feet away.

As you know, MRWC has for years stated it did not have the money necessary to pay for construction of the \$165,000 project. The lack of funds is why the company sought a WIFA loan. After it became known the company filed false information on its WIFA application, WIFA suspended the loan and required MRWC to prepare an Environmental Information Document. Last fall, the company submitted the EID. WIFA responded by requiring a full blown Environmental Impact Statement. In January, the company filed a request to modify the Commission's 2009 Order requiring WIFA financing and allow it to obtain private financing. This request has never come before the Commission.

Now, I learn this morning that the company has improperly applied a surcharge to its customers at the same time the company has suddenly come up with funds from an unknown source to pay for construction of this project. There is now a very high probability that some, if not all of the money illegally collected through the surcharge, is being applied to the ongoing construction of this project. The commission has a duty to determine where this money was spent -- particularly now that it knows it was illegally collected.

I hereby demand that the ACC immediately issue a cease and desist order on the construction of the pipeline until the commission determines whether any of the illegally collected arsenic surcharge funds have been diverted into construction of this project.

This is an urgent matter as construction is ongoing.

The timing of the construction project is not mere happenstance.

I have hearing scheduled Thursday in Yavapai County Superior Court on my lawsuit challenging the legality of Board of Supervisor's March 15, 2010 decision to allow a use permit for this parcel where the well is located. The parcel violates the Yavapai County Water Code because no single spot on the parcel is more than 50 feet from a property line. The well is within 50 feet of a neighbor's property and may be within 100 feet of a septic system.

The commission now has evidence that the company has illegally collected fees from customers at the same time the company is "privately" financing construction of a major infrastructure project. It's now time for the commission to immediately intervene and determine whether any of the improperly collected money is being used to pay for construction.

Sincerely,

John Dougherty

Antonio Gill

From: John Dougherty [jd.investigativemedia@gmail.com]
Sent: Tuesday, April 19, 2011 10:29 AM
To: Burns-Web; Newman-Web; Pierce-Web; Stump-Web; Kennedy-Web
Cc: Rebecca Wilder; Brian Bozzo; Howard Shanker
Subject: Fwd: MRWC illegal collection of arsenic treatment fees and ongoing construction of pipeline

----- Forwarded message -----

From: **John Dougherty** <jd.investigativemedia@gmail.com>
Date: Tue, Apr 19, 2011 at 10:10 AM
Subject: MRWC illegal collection of arsenic treatment fees
To: bbozzo@azcc.gov, Rebecca Wilder <RWilder@azcc.gov>
Cc: Howard Shanker <howard@shankerlaw.net>, Steven Ayers <sayers@verdenews.com>

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