

WS. 20794A. 11. 0140  
WS. 20794A-11-0279

ORIGINAL



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ARIZONA CORPORATION COMMISS

UTILITY COMPLAINT FORM

Investigator: Trish Meeter

Phone: (602) 542-0622

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Priority: Respond Within Five Days

Opinion No. 2011 101319

Date: 12/14/2011

Complaint Description: 08A Rate Case Items - Opposed  
N/A Not Applicable

Complaint By: First: Bruce Last: Reyner

Account Name: Bruce Reyner Home: (000) 000-0000

Street: 25 Oakbrook

Work: AZ CORP COMMISSION  
CBR: DOCKET CONTROL  
is:  
2011 DEC 14 P 3:17  
RECEIVED

City: Coto de Caza,

State: AZ Zip: 92679

Utility Company: D11-Emerald Springs, LLC

Division: Sewer Arizona Corporation Commission

Contact Name: Henry A. Melendez **DOCKETED** Contact Phone: (602) 664-0602

Nature of Complaint: DEC 16 2011

December 6, 2011  
Arizona Corporation Commission  
Consumer Services Section  
1200 W. Washington St.  
Phoenix, AZ 85007

DOCKETED BY

Re: HENRY MELENDEZ - APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY  
EMERAL SPRINGS DII

Dear Commissioners,  
I am a homeowner and a board member in the community of Emerald Springs and I am writing to convey my concern regarding the Commission granting a Certificate of Need and Necessity to Emerald Springs LLS (Henry Melendez). To the best of my knowledge, Mr. Melendez has been operating the Emerald Springs sewer plant on an illegal and temporary basis by not obtaining the necessary license of the ADEQ or the required CC&N from the Commission. Any time there has been a problem with the sewer plant, Mr. Melendez has repeatedly refused to put one dime out of his pocket for maintenance or repairs, thus, putting the burden of such costs on the homeowners of Emerald Springs who entrusted him to supply and maintain a sewer service for the community. Not too long ago, while the lift station was under Mr. Melendez's operation, the backup pump failed, resulting in a \$2,400.00 pump charge. Mr. Melendez immediately placed the burden of the repair onto the HOA, when in fact, he was the one who was contractually bound to make the repair. This particular instance prompted the signing of the lift station over to the Emerald Springs HOA and Mr. Melendez washed his hands of any responsibility to the lift station. -  
The HOA would like to reconnect to Mr. Doyle's sewer station. Mr. Doyle was the original provider for Emerald Springs until Mr. Melendez felt he could make a profit from the community by taking over. Mr. Melendez has proven to the HOA that, without a doubt, he is a person who will only take and give nothing back to the community of Emerald Springs. When Mr. Melendez became the developer of Emerald Springs, he borrowed a very large sum of money and to date, has not made one payment on the loan. In addition, Mr. Melendez has been named as the person removing all the appliances from the empty homes and putting them in his garage. We strongly feel that granting Mr. Melendez any of his requests would only be catering to a crook and would doom the residences of Emerald Springs.

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Mr. Melendez has never shown members of the HOA receipts or bills for the maintenance of the sewer plant, even though we have requested to see these items on numerous occasions. It is -as-the operating costs of the - - - plant are numbers that were simply created by him. We would ask that you request to see actual receipts from Mr. Melendez, as we are certain that he will not provide them to you. In my eyes, Mr. Melendez is the worst kind of crook; a man who acts only in his own benefit and never for that of others.

Below is a partial list of just a few of Mr. Melendez's actions that exemplify his fraudulent behavior and lack of character:

1. Took out a large loan from Waltco and never repaid one penny.
2. Failed to finish highways to access the community of Emerald Springs.
3. Failed to finish the road between the homes on Riviera Place.
4. Installed a temporary sewer plant for personal gain.
5. Sewer sits on foreclosed property with no current lease or intent to provide lease.
6. Inflated prices of homes and provided kickbacks to buyers, per home buyer.
7. Has been b nned from all escrow actions in the state of California by the California Corporations Commissioner (see attached).

In closing, I w ld,iike to say that we do not believe a temporary sewer plant is a permanent solution for eØnanent community. We would like to request that Doyle be the new permane ro/der for the Emerald Springs sewer plant and we will pursue all necessary licenses n pØperw rk to make this happen. We encourage you not to grant Mr. Melendez's

a/is i er vice costs.

Since ely /

Bru e e,ner

Em r d pring Homeowner

PIE SEN TE:

I WOULD LIKE TO REITERATE THAT THE SEWER PLANT SITS ON FORECLOSED PROPERTY WITH NO LEASE RENTAL AGREEMENT IN PLACE. I SPOKE DIRECTLY WITH A REPRESENTATIVE OF WALTCO ANb THEY HAVE NO INTENT OF PROVIDING A LEASE. IN FACT, THEY WISH TO DEVELOP THE LAND WHICH THE SEWER PLANT CURRENTLY SITS ON, SO IT WILL HAVE TO BE MOVED IN THE FUTURE.

Attch: Calif Order before the Dept. of Corps revoking Escrow Agent's License.

Public Records search copy of Henry Melendez

GOA Report on Diploma Mills

\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

docketed in WS 20794A-11-0140

\*End of Comments\*

**Date Completed: 12/14/2011**

**Opinion No. 2011 - 101319**

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