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## Class action lawsuit filed on Utilities Inc.

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PVT

Attorney Matthew Callister announced Wednesday he is filing a federal class action lawsuit against Utilities Inc. of Central Nevada for allegedly dumping sewage directly into the ponds at the former Willow Creek golf course.

Three plaintiffs signed onto the case originally -- Richard Cantino, Blair Childs and Ed Dodd, all neighbors of the golf course.

Class A litigants are defined in the suit as all residents of the Willow Creek area, "who are suffering environmental injury as a result of UICN dumping untreated or inadequately treated human fecal coliform into the ponds of Willow Creek Golf Course on a consistent weekly and unauthorized basis."

Litigants in a B class would consist of people living or transacting business within 1,500 feet of the former golf course; class C litigants would be affected businesses and commercial ventures affected by the environmental injury; class D would consist of all residents in Pahrump that draw their water from the aquifer.

The suit claims former UICN Regional Vice-President Paul Burris was terminated for certain improprieties in the operation of Utilities Inc. facilities and improper relationships involving certain federal and/or state regulators.

Utilities Inc. took over the former Central Nevada Utilities Co., which was a subsidiary of Preferred Equities Corp., developers of the Calvada project, who declared bankruptcy in 2002. PEC had signed a tripartite agreement with CNUC and Covington Nevada Corp. in 2000 allowing CNUC to use seven ponds on the former golf course for disposing of recycled effluent from the sewer plant.

Willow Creek Golf Course was acquired by Ashland Capital during foreclosure proceedings in late 2008.

"Since 2006 approximately 200 residents of Willow Creek Golf Course have repeatedly complained of extraordinarily foul odors," the suit claims. "These foul odors are the direct result of the untreated or inadequately treated human fecal coliform dumped into the ponds located on Willow Creek Golf Course."

But Callister's suit claims there are more aggrieved parties than just neighbors surrounding the former golf course, which closed in November 2008.

"This illicit discharge poses clear and obvious injury to the entire community of Pahrump," the suit said. "Pahrump is located over a single aquifer from which the entire city gets its drinking water. Based upon information and belief, UICN's discharge of human fecal coliform may have caused significant negative

impact to the aquifer and anyone who drinks water from the aquifer."

Callister lists test results by EFFEX Analytical Services Inc. released last June which showed fecal coliform levels well in excess of legal limits at five ponds.

Utilities Inc. did nothing to correct the "raw sewage problem" the suit claims. The company is required under its discharge permit to flush the ponds with clean water, Callister said.

Photographs received by the Nevada Division of Environmental Protection Nov. 28 document an illegal discharge from sewer treatment plant No. 3 on the former golf course, the suit claims. UICN Regional Director Wendy Barnett acknowledged the plant discharged illegal amounts of fecal coliform, Callister said.

NDEP sent a letter to Utilities Inc. Dec. 17 threatening \$25,000 per day fines for illegal discharges apparent in photographs. Barnett wrote back to say the company had exceeded fecal coliform limits for the first time since April 2002 and wouldn't characterize it as raw sewage.

Barnett said UICN had not yet received a copy of the class action suit and declined to comment.

The "nightly, illicit discharges of untreated or inadequately treated human fecal coliform" affects neighbors' property values and quality of life, the suit claims.

Callister said he will be filing by today a request for a temporary restraining order asking Utilities Inc. to cease and desist from pumping the effluent into the ponds.

"This is a pond of human excrement, open to humans, open to animals, and it absolutely has to stop," Callister said during a press conference called next to one of the ponds.

Callister is asking for a declaratory judgment that Utilities Inc. illicitly discharged fecal coliform into the ponds; that Utilities is in violation of rules set by the U.S. Environmental Protection Agency and the Nevada Division of Environmental Protection; actual and punitive damages along with attorneys fees.

"We see that kind of bid by corporate interests every day. Today we're going to put a stop to it," Callister said. "If you can save money doing illegal dumping of waste at night, that's the name of the game."

Callister said he understands the need to use recycled effluent. But he said, "This could not happen in Vegas. It cannot happen in Reno."

Plaintiff Ed Dodd said he could only verify what the suit said.

"I have witnessed raw sewage being pumped in the pond, and then on occasion they'll try to clean it up," Dodd said.

On Jan. 27, Dodd said the smell of Clorox was so strong he couldn't stand next to the pond.

Plaintiff Richard Cantino said, "A few weeks ago I smelled the chlorine so bad it practically knocked me down."

Cantino said he noticed about 75 dead fish around the pond. He added, "We have migratory fowl come in here, Canada geese come in here."

While UICN has responded with its own test results which show discharged effluent at the plant well within legal limits for fecal coliform, Cantino said he took measurements right from the discharge pipe into the pond and submitted them to Nye County Emergency Services.

A few neighbors around Willow Creek Golf Course, who haven't signed onto the suit as plaintiffs, watched the press conference.

"We want to know what's going on. It's a shame this course is let to go like this and it's a shame what they're doing to the owner," Lois Minter said.

Wayne Flynn had concerns over spraying the recycled effluent onto the course.

"They've been watering this with contaminated water to kill all the grass, and then it looks horrible," Flynn said.

Curt Moen, manager of the former golf course, said, "The salt content in the effluent is too high, it needs to be diluted, and we can't do that."

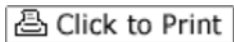
Jim Scott, principal of Ashland Capital, the owners of the former Willow Creek Golf Course, claims Utilities Inc. is bound by the tripartite agreement to provide potable water at cost to supplement the recycled effluent. Ashland Capital and Utilities Inc. are headed to 5th District Court in June to resolve a lawsuit over the agreement.

Moen said two and a half feet of sludge has built up in the ponds in the last 18 months.

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