



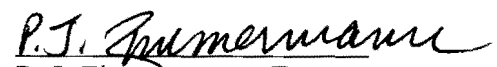
1 once with the Trustee's agent at the storage area and where the business had been located. While the  
2 Trustee and her agent expected to see various vehicles and equipment, David Bell claimed that the  
3 vehicles had been taken by secured creditors and all that was left was one trailer, which he would  
4 deliver to agent's place of business. David Bell offered to purchase the inventory in the storage area  
5 and provide the Trustee with a down payment for said inventory at the hearing scheduled for January  
6 15, 2010. However, David Bell never appeared at the hearing. Trustee's agent reported that there  
7 were various vehicles and equipment at the business premises, but David Bell claimed that they  
8 belonged to the new business. No evidence was provided re title to said equipment or vehicles.  
9

10 2. Debtor's petition lacked information and had false statements.

11 The Debtor's original petition was filled with misinformation and only after creditors provided the  
12 Trustee with depositions or documents showing that the petition had many false statements, did the  
13 Debtor finally correct some of the petition with amendments filled at the end of January, 2010,  
14 almost 4 months after filing the bankruptcy. The depositions and documents provided by the  
15 creditors indicated that the Debtor had his business at the same premises as the new business, same  
16 telephone number and same four officers for both businesses. While David Bell claimed the two  
17 businesses contracted for different types of work, the Trustee received evidence from a creditor that  
18 the new business, UST Development, Inc., received a contract from City of Rancho Cucamonga for  
19 exactly the same kind of work done by the Debtor. A copy of the contract authorization is attached  
20 herein and incorporated as Exhibit "A". Records from the creditors showed that officers received  
21 significant amounts of money after the business was closed, some as reimbursement for loans, and  
22 yet nothing was disclosed on statement of affairs. During this period of time, neither creditors nor  
23 workers were being paid as evidenced by numerous lawsuits.  
24  
25  
26

27 Therefore, the Trustee on behalf of creditors requests that this case be dismissed with prejudice.

28 Dated: 2-24-10

  
P. J. Zimmermann, Trustee

# STAFF REPORT

ENGINEERING SERVICES DEPARTMENT



Date: October 7, 2009

To: Mayor and Members of the City Council  
Jack Lam, AICP, City Manager

From: Mark A. Steuer, Director of Engineering Services/City Engineer

By: Romeo M. David, Associate Engineer *RMD*  
Shelley Hayes, Assistant Engineer *SH*

Subject: ACCEPT THE BIDS RECEIVED AND AWARD AND AUTHORIZE THE EXECUTION OF THE CONTRACT IN THE AMOUNT OF \$96,249.64, TO THE APPARENT LOW BIDDER, UST DEVELOPMENT, INC., AND AUTHORIZE THE EXPENDITURE OF A 10% CONTINGENCY IN THE AMOUNT OF \$9,624.96, FOR THE LONDON AVENUE AND CARRARI STREET SLOPE RENOVATION AND EROSION CONTROL TO BE FUNDED FROM GENERAL DRAINAGE FUNDS, ACCOUNT NO. 1112303-5650/1746112-0 AND APPROPRIATE \$140,000.00 TO ACCOUNT NO. 1112303-5650/1746112-0 FROM GENERAL DRAINAGE FUND BALANCE (CONTRACT AWARD OF \$96,249.64 PLUS 10% CONTINGENCY IN THE AMOUNT OF \$9,624.96 AND \$34,125.40 FOR SOILS AND MATERIALS TESTING, CONSTRUCTION SURVEY SERVICES AND INCIDENTALS)

## RECOMMENDATION

It is recommended that the City Council Accept the bids received and award and authorize the execution of the contract in the amount of \$96,249.64, to the apparent low bidder, UST Development, Inc., and authorize the expenditure of a 10% contingency in the amount of \$9,624.96, for the London Avenue and Carrari Street Slope Renovation and Erosion Control to be funded from General Drainage Funds, Account No. 1112303-5650/1746112-0 and appropriate \$140,000.00 to Account No. 1112303-5650/1746112-0 from General Drainage Fund balance (Contract award of \$96,249.64 plus 10% contingency in the amount of \$9,624.96 and \$34,125.40 for soils and materials testing, construction survey services and incidentals).

## BACKGROUND/ANALYSIS

Per previous Council action, bids were solicited, received and opened on September 15, 2009, for the subject project. The Engineer's estimate for the base bid was \$115,000.00. Staff has reviewed all bids received and found them to be complete and in accordance with the bid requirements with any irregularities to be inconsequential. Staff has completed the required background investigation and finds the apparent low bidder meets the requirements of the bid documents.

The scope of work consists of the installation of un-grouted boulders, asphalt concrete pavement access road, cut existing grade and hydroseed new cut slope. The contract documents call for thirty (30) working days to complete this construction.

Respectfully submitted,

Mark A. Steuer  
Director of Engineering Services/City Engineer

EXHIBIT

A

In re: UST DRY UTILITIES, INC.	CHAPTER 7
Debtor(s).	CASE NUMBER 6:09-33340RN

**NOTE:** When using this form to indicate service of a proposed order, **DO NOT** list any person or entity in Category I. Proposed orders do not generate an NEF because only orders that have been entered are placed on the CM/ECF docket.

### PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 31566 RAILROAD CANYON ROAD, #306, CANYON LAKE, CA 92587.

A true and correct copy of the foregoing document described as: RESPONSE TO DEBTOR'S OPPOSITON TO TRUSTEE'S MOTION TO DISMISS THE CHAPTER 7 BANKRUPTCY OF UST DRY UTILITIES, INC. WITH PREJUDICE

will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner indicated below: See Attached Service List.

I. **TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF")** – Pursuant to controlling General Order(s) and Local Bankruptcy Rule(s) ("LBR"), the foregoing document will be served by the court via NEF and hyperlink to the document. On \_\_\_\_\_ I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email address(es) indicated below:

Service information continued on attached page

II. **SERVED BY U.S. MAIL OR OVERNIGHT MAIL** (indicate method for each person or entity served):

On 2-24-10 I served the following person(s) and/or entity(ies) at the last known address(es) in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States Mail, first class, postage prepaid, and/or with an overnight mail service addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

### SERVICE LIST ATTACHED

Service information continued on attached page

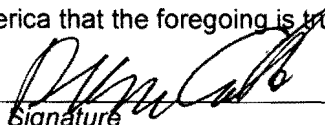
III. **SERVED BY PERSONAL DELIVERY, FACSIMILE TRANSMISSION OR EMAIL** (indicate method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on \_\_\_\_\_ I served the following person(s) and/or entity(ies) by personal delivery, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

2-24-10  
Date

Diana Castillo  
Type Name

  
Signature

In re:  
UST DRY UTILITIES, INC.

Debtor(s).

CHAPTER 7

CASE NUMBER 6:09-33340RN

U.S. TRUSTEE OFFICE  
3685 Main Street, Suite 300  
Riverside, CA 92501

**DEBTORS**

UST DRY UTILITIES, INC.  
6599 Haven Ave., Unit #1922  
Rancho Cucamonga, CA 91737

**DEBTORS' ATTORNEY**

Dennis Baranowski  
Law Offices of Dennis R. Baranowski  
10700 Civic Center Dr., Ste. 100C  
Rancho Cucamonga, CA 91730

Michael R. Schaefer  
Fullerton, Lemann, Schaefer & Dominick, LLP  
215 North "D" Street, First Floor  
San Bernardino, CA 92401-1712

Mark D. Poniatowski  
Law Offices of Mark D. Poniatowski  
2811 Castro Valley Blvd., Suite 208  
Castro Valley, CA 94546

John Nelson  
834 3<sup>rd</sup> St.  
Encinitas, CA 92024

Honorable Richard M. Neiter  
U.S. Bankruptcy Court  
Edward R. Roybal Federal Building and Courthouse  
255 E. Temple St., Suite 1652  
Los Angeles, CA 90012