

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW MEXICO**

<b>SALTECH CORPORATION</b>	)	
	)	
<b>Plaintiff,</b>	)	
	)	
<b>v.</b>	)	<b>Civil Action No. 1:10-cv-945 JOB/DJS</b>
	)	
<b>CH2M HILL, INC., and</b>	)	
<b>HACH COMPANY</b>	)	
	)	
	)	
<b>Defendant.</b>	)	<b>DEMAND FOR JURY TRIAL</b>

**FIRST AMENDED COMPLAINT**

The plaintiff, SALTech Corporation (“SALTech”) files this First Amended Complaint for patent infringement against defendants, CH2M Hill, Inc. (“CH2M”) and Hach Co. (“Hach”) and alleges as follows:

**PARTIES, JURISDICTION AND VENUE**

1. SALTech is a New Mexico corporation with its principal place of business in Albuquerque, New Mexico. SALTech is engaged in the business of developing systems and methods for securing water supplies.
2. Upon information and belief, CH2M is a Florida corporation with its principal place of business in Colorado.
3. Upon information and belief, CH2M is registered in New Mexico as a for profit foreign corporation having a corporate office at Suite 350, 6001 Indian School Rd

NE, Albuquerque, NM 87110 and a registered agent CT Corp System at 123 E Marcy, Santa Fe, NM 87501.

4. CH2M designs and operates large facilities and systems such as municipal water systems.
5. Upon information and belief, Hach is a Delaware corporation with its principal place of business located at 5600 Lindbergh Dr., Loveland, Colorado, 80538-8842 and mailing address P.O. Box 389, Loveland, Colorado, 80539-0389.
6. Upon information and belief, Hach's OPS Systems unit, now rebranded "WaterEye", operates out of Rio Rancho New Mexico.
7. Hach designs, manufactures, markets, and sells components for use in municipal water systems as well as its GuardianBlue and CityGuard products for enabling municipalities to secure their water systems.

#### **JURISDICTION AND VENUE**

8. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).
9. This Court has personal jurisdiction over CH2M because CH2M maintains offices in New Mexico, because CH2M operates municipal water systems under contract in New Mexico, and because CH2M has held numerous roles in the design and development of various New Mexico water projects such as the San Juan-Chama Diversion Project.
10. This Court has personal jurisdiction over Hach because Hach conducts operations, specifically software development, in New Mexico and markets into New Mexico and

throughout the nation using various means including the internet and various publications targeting the water treatment industry.

11. Venue is proper in this district under 28 U.S.C. §§ 1391(b), 1391(c), and 1400(b).

### **BACKGROUND**

12. On July 19, 2005, United States Patent No. 6,919,019 entitled “Laser Water Detection, Treatment, and Notification Systems and Methods” (“the ‘019 patent”) was issued naming Anthony Michael Baca, Luis M. Ortiz, Thomas A. Crow, and Donald W. Wichers as inventors. A copy of the ‘019 patent is attached as Exhibit A.
13. The ‘019 patent is assigned to SALtech.
14. On information belief, CH2M operates at least one municipal water system that infringes claim 17 of the ‘019 patent or has modified at least one municipal water system such that it infringes claim 17 of the ‘019. A claim chart detailing some aspects of CH2M’s infringement is attached as Exhibit B.
15. On information and belief, the discovery process will reveal that CH2M has infringed claim 17 by designing, building, modifying, operating or maintaining municipal water systems in its normal course of business.
16. On information and belief, Hach has developed and currently markets its GuardianBlue and CityGuard products and teaches product deployments that infringe claim 17 of the ‘019 patent. A claim chart detailing some aspects of Hach’s infringement is attached as Exhibit C.
17. On information and belief, Hach actively induces infringement.

18. SALtech has sent letters to CH2M and to Hach in the hopes of initiating talks of developing or otherwise exploiting SALtech's patented technology.
19. On information and belief, in late 2004 CH2M partnered with Tenix Investments Pty. Ltd., and Sandia National Laboratories to develop, install, and test systems infringing claim 17 of the '019 patent. The partnering occurred after detailed discussion with SALtech principals about partnering with SALtech.
20. On information and belief, Hach has advertised that its GuardianBlue System has received SAFETY Act Designation and Certification from the Department of Homeland Security (DHS) and is the the first and only early warning monitoring system designed to help cities protect their drinking water systems from terrorist contamination attacks and real-world events.
21. On information and belief, Hach advertises that the capabilities of CityGuard essentially provides utilities with a "virtual command center" for critical water distribution monitoring and control.
22. On information and belief, Hach advertises that through the use of GuardianBlue "Operators at the water distribution monitoring facility are alerted to the problem in real-time and track the contamination movement in order to contain the affected water."
23. On information and belief, Hach advertises "Water Security Consultative Services" to help water utility managers decide "how to integrate and network GuardianBlue Early Warning System into your city's water distribution system ..."

24. On information and belief, Hach has worked with the U.S. Environmental Protection Agency (EPA) in installing, testing, and evaluating early warning monitoring systems in Cincinnati, OH.
25. On information and belief, CH2M has worked with the EPA to design, deploy, and evaluate early warning monitoring systems for drinking water in Cincinnati, OH.
26. On information and belief, the EPA has selected five cities in the nation to serve as a national model for drinking water security. Each of the cities received funding from the EPA for the development of a "Contamination Warning System." The five cities are Cincinnati, Dallas, New York, Philadelphia, and San Francisco.
27. On information and belief, Dallas contracted CH2M to design and install online distribution system water quality monitoring stations with real-time data communications to central data monitoring locations.
28. On information and belief, CH2M has announced that its OMI division, known as CH2M Hill OMI, has become the nation's largest provider of contract O&M services, O&M consulting, public works, and municipal services. Based on the source, "O&M" means "operations and management" or "operations and maintenance".
29. On information and belief, cities having contracts with CH2M Hill OMI include Dallas, Rio Rancho, Taos, Farmington, and Grants. Many other U.S. cities have O&M contracts with CH2M.
30. Neither CH2M nor Hach conducted its wrongful acts with authorization or license.

**COUNT I**  
**Infringement of the '019 Patent – 35 U.S.C. §271**

31. SALtech re-alleges and incorporates herein by reference each and every allegation contained in paragraphs 1 through 20, inclusive, as set forth above.
32. SALtech has suffered substantial damage as a result of Defendants' infringement of the '019 patent including, but not limited to, loss of market opportunity and loss of value of its patent.
33. SALtech is entitled to an accounting of Defendants' profits derived from acts and sales infringing the '019 patent.

### **REQUEST FOR RELIEF**

WHEREFOR, SALtech respectfully requests an entry of judgment in its favor against Defendants and requests that:

A. Defendants be adjudged to have infringed the '019 patent and that such infringement be adjudged to have been willful;

B. Defendants to be enjoined from further infringement of SALtech's intellectual property;

C. SALtech be awarded damages in an amount no less than \$5 million;

D. SALtech be awarded treble damages pursuant to 35 U.S.C. 284 because of the willful nature of Defendants' acts;

E. SALtech be awarded its reasonable costs and attorney's fees;

F. SALtech be awarded prejudgement interest; and

G. SALtech be awarded such other and further relief as the Court may deem just and proper.

**JURY DEMAND**

In accordance with Federal Rules of Civil Procedure 38 and 39, Plaintiff asserts its right under the Seventh Amendment of the United States Constitution and demands a trial by jury on all issues.

Dated January 5, 2011

Respectfully Submitted,

**Ortiz and Lopez, PLLC**

*Electronically Filed*

By: /s/ Richard Krukar

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I HEREBY CERTIFY that a copy of the foregoing First Amended Complaint was served on all counsel of record via the CM/ECF system on the date filed. Counsel for Defendant Hach was served via certified mail, return receipt requested:

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/s/ Richard Krukar

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