

To Our Canyon Residents:

It has recently come to the attention of the Emigration Improvement District (the "District") that Mark Tracy and his so-called ECHO Association are continuing to provide certain inaccurate information to residents in Emigration Canyon regarding the District's water system and the District's recent change application.

As many of you know, in 2014 Mr. Tracy filed a lawsuit against the District and numerous other individuals and entities associated with the District. Although the lawsuit never proceeded past the initial motion to dismiss phase, Mr. Tracy was able to delay resolution by amending his Complaint multiple times. Nevertheless, on June 25, 2018, Federal Court Judge Jill Parrish issued a final order dismissing all the claims against all the defendants with prejudice. Mr. Tracy has appealed the dismissal with prejudice, but the District is confident that the appellate court will uphold Judge Parrish's decision.

In addition, because Judge Parrish found that Mr. Tracy and his legal counsel took unlawful action with respect to the District's water rights, Judge Parrish has already awarded the District **\$29,936.00** in attorney fees and damages against Mr. Tracy and his legal counsel, Christensen and Jensen. The District has another motion pending before Judge Parrish for an additional **\$118,831.00** in legal fees against Mr. Tracy and Christensen and Jensen based on the frivolous nature of the lawsuit.

Because of the ongoing litigation, the District has been reluctant to speak out or engage Mr. Tracy in his public relations battle against the District, believing it best to protect the canyon's interests in the proper forums. Nonetheless, a number of Emigration Canyon residents who are familiar with District operations and the hydrology in the Canyon have asked that the District correct and clarify key items which have been circulating relative to the District's water right(s), and so we provide to you the follow facts:

I. EID DOES NOT HAVE A PLAN TO ADD 500 NEW HOMES IN THE CANYON.

It has come to the attention of the District that Mr. Tracy is informing residents that the District has a current proposal to add 500 new homes to the Canyon. This is completely false. Mr. Tracy appears to claim that the District trustees made this statement during a public meeting on March 12, 2015 (over three and a half years ago) during a discussion regarding impact fees on future development. However, Mr. Tracy completely misrepresents the statements, which simply suggested that the impact fee for new development be based on a buildout of approximately 500 homes. Thus, to be absolutely clear, the District is not aware of any proposal to develop 500 new homes in Emigration Canyon.

II. THE DISTRICT'S PENDING CHANGE APPLICATIONS HAVE NOTHING TO DO WITH A PLAN TO DEVELOP 500 HOMES IN THE CANYON.

As background for those who are not familiar with history of the District, the District was created in 1968. At the time, the District was provided a senior water right for water at the mouth of the Canyon. However, because there was not a public drinking water system in the Canyon, the District provided a service to residents in the Canyon by leasing its water right to be used to cover water usage by individual canyon residents from their private wells. Because the leases changed each year, the State Engineer

(who regulates water usage in the State) established a policy requiring the District to file temporary change applications annually on a piece of the District's water rights to cover such usage. This practice has continued to the present under the direction of the State Engineer's office.

In 1993, the District filed a permanent change application on the District's water right to include a number of potential surface and groundwater sources and to be used to provide water to Canyon residents. Since that time, the District has either constructed or acquired four wells in the Canyon (two that it acquired from the Freeze Creek Water Company associated with the Emigration Oaks development and two that it has since drilled). They are all located at the northern end (uphill) of the Emigration Oaks Development.

Earlier this year, the State Engineer's Office changed its policy with respect to the District filing an annual temporary change application and instructed the District to file a permanent change application. The District met several times with the State Engineer and his staff and pursuant to their direction, has now filed two new permanent change applications on its water right.

Change application a44045 includes the water sources previously approved under the 1993 permanent change application, two existing wells approved under prior temporary change applications and five potential new well sites. Of the five new wells sites, four are near the one million gallon storage tank and the other is above Pinecrest (to provide water to that area if the residents want it). Not a single drop of additional water is included in this change application than has already been approved many years ago. The change application allows the water to be used for Canyon residents.

Change application a44046 includes only the individual residential wells which have been approved over many years by the series of temporary change applications cited above. Again, no more water is sought than has been previously approved. If this change application is not approved, then shortly after the first of the year these approximately 25 homeowners will be without a water right.

Accordingly, in contrast to Mr. Tracy's apparent assertion that the change applications are being filed to facilitate a plan for 500 new homes in the Canyon, the only reason the District is filing the permanent change applications is due to a change in policy by the State Engineer's Office.

III. THE DISTRICT'S WELLS ARE NOT THE CAUSE OF THE LACK OF WATER IN THE STREAM.

As everyone is aware, it has been extremely hot and dry this year. In fact, the 2018 water year was the lowest on record for Emigration Canyon and very low for the state generally. Annual precipitation was at an all-time low, with almost no summer rains. Unlike Mr. Tracy, who does not live in Emigration Canyon, the District's Trustees are all long-time Canyon residents who, like you, value the natural creek environment. Because of this and other factors, the District's wells are deep, sealed for at least the top 100 feet, constructed into bedrock aquifers and far removed from Emigration Creek. This also makes the District's wells far removed from most of the individual wells in the Canyon which are mostly constructed into the shallow creek aquifer. Accordingly, although Mr. Tracy would like residents to believe that the District's well are the cause of the stream going dry this year, it is simply not true.