



To WCWSID Customers

September 22, 2025

RE: \$25 / month charge for legal defense against developers claims

District will hold a Public Hearing on September 30th, 2025 at 6:00 p.m. virtually and at the District Office at 2580 Hwy 162 Suite A, Eden UT 84310.

There is limited space in the District Office. We are expecting a full house, so please consider attending by Zoom. Link below.

<https://us02web.zoom.us/j/5021736475?pwd=VW5FTDdPbUhpODdHS3hydKpHVjE2UT09&omn=89923363452>

Meeting ID 502 173 6475 Passcode: 8017453435

One tap mobile +19292056099,,5021736475#,,,8017453435# US (New York)

Dear WCWSID Customer,

The public hearing will discuss a temporary price increase of \$25 / month per customer, beginning with the November billing, to pay for the budget impacts of legal actions against the District by the Wolf Creek /Eden developer group, (EVOUtah, Eden Crossing, John Lewis Homes, Bridges Holding Company et al). We regret deeply having to make this request. Reasons for this price rise are outlined in this letter and will be discussed at the meeting.

This additional levy will end immediately as soon as the lawsuits and related water rights fight(s) are withdrawn or otherwise resolved. The funds will be strictly segregated into a "Legal Defense Fund," which will ONLY be used for legal counsel, legal expenses and supporting experts. Excess funds will be credited back to customers when a final settlement is reached for both lawsuits and water rights fights.

The price increase is requested due to the extraordinary costs (\$25K to \$30K/month) of legal counsel and expert services to respond to civil lawsuits and multiple water rights actions, related to efforts by the Developers to get water supplies for proposed developments, both inside Wolf Creek and in Eden. The lawsuits and water right disputes are progressing through the District court system and State Engineer's Office. The District must defend itself in these lawsuits, which include claims against named individuals and Board members, with total claims of \$47.5m, and against threats to our water supply.

As you know, Wolf Creek has a limited water supply, partly because we are the most junior of the established water entities in the valley. When we try to establish additional water supply, we are limited by historic rights. We have one main culinary supply – the Warm Springs Well, which is encumbered by historic contracts. Our back-up supply, the new East Well, is also limited in its use by our operating agreement with Eden Waterworks. According to our experts, we do not have the spare water supplies that the Developers are asking for. The Eden Crossing 5 (EC5) well, drilled by the developers will affect our Warm Springs supplies and our ability to meet contractual commitments. A water right for EC5 was denied once by the State Engineer, but has been appealed as a lawsuit to District Court. There is now a new replacement filing (E6743) on EC5 (486 AF). The well's extreme depth (1500 feet) poses a major long-term risk to our well and others– we must protest to protect our existing customers' water supply. We have pursued and will continue to try to engage in settlement discussions. We plan to have more meetings. Formal mediation may be requested.

Our legal 2025 budget and a reserve allowance are now exhausted. We cannot allow the Developers to financially damage the District. We have no alternative but to ask you, our customers and neighbors, for your increased support. We believe \$25 additional per customer location / per unit each month will provide the necessary funds to protect our customers' water, our staff, and our Board of Trustees from these aggressive legal actions.

Sincerely,
Board of Trustees.