ERDA ACRES WATER COMPANY, INC.

A Non-Profit Company P.O. Box 11 Tooele, Utah 84074-0011

December 16, 2019

RE: Activation of Chlorination Station

Dear Shareholder:

We have a portion of our water system that is contaminated with coliform bacteria. Coliform bacteria are a group of bacteria found in animals, plants, soil, air, and water. Most are harmless to humans. A subgroup, fecal bacteria, can cause illness. We have not detected any fecal bacteria in our system after repeated testing. We sample for coliform bacteria monthly and occasionally find it either from a contaminated sample or dirt being dislodged in one of our lines.

The area that is contaminated is Old Farm Estates Development and the distribution line that runs along Cochran Lane from the entrance to Field of Dreams Development north to Old Farms Estate. We are not sure of the cause of the contamination but have noticed dirt and silt when flushing hydrants in the development and low flow.

We have attempted to eliminate the bacteria by aggressively flushing fire hydrants since the problem was discovered. Although we have reduced the bacteria level by flushing, we have not been able to eliminate it. After consulting with water experts with the Rural Water Association of Utah and the Utah Division of Drinking Water we have concluded that chlorination is the only practical solution. When the water system was upgraded in 2009 a gas chlorination station was included in the project in anticipation that we might need it in the future to deal with a bacteria problem. Our water quality has been good since the 2009 project, so the system has never been activated.

Chlorination is used extensively in water systems in Utah and throughout the country. It is safe and used at a low concentration so that once the system is calibrated most people will not notice a difference. Some of the older homes on Campbell Road, 570 West and Silver Spur that have galvanized pipe from the meter box to their house may initially notice some dark sediment in toilet tanks and aerators. Our operator, Alan Clark, will be monitoring the chlorine level daily once chlorination is started. If you have any concerns with the chlorine level in your home call Alan (435-496-3468) and he can check the level.

When the chlorination station is activated. Chlorine will go into water immediately after it is pumped from a well, will be carried to our tank, and then flow back down our distribution lines. It will take a few days after the system is activated for the chlorine treated water to reach homes. The plan right now is to start the chlorine station on Friday, December 20 although this could be delayed a couple days if everything is not in place. We will run it initially at 1 part per million concentration.

Once we have the bacteria contamination eliminated, we plan to bring in a company to inspect the water lines using a camera and hydrophone system. If we can find a cause such as a large dirt deposit or obstruction in a line, we will correct it and then hope to stop chlorinating if the bacteria does not return. Usually once a chlorination system is activated it continues to be used. We are working with the Division of Drinking Water to get their approval to discontinue chlorination if we can find and fix the problem but that is not a guarantee.

We will post information on coliform bacteria and chlorination on our website. Please Take a look. If you have additional questions please call Alan at the number above. If he cannot answer your question immediately, he will get an answer from the Division of Drinking Water who will be assisting us during this process.

Tom Isom, Board President