FILED US District Court-UT
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Mark Christopher Tracy dba Emigration Canyon Home Owners Association *Pro se Plaintiff* 1160 E. Buchnell Dr. Sandy, Utah 84094 Telephone: (929) 208-6010

# UNITED STATES DISTRICT COURT FOR THE DISTRICT OF UTAH

## **CENTRAL DIVISION**

MARK CHRISTOPHER TRACY, d/b/a Emigration Canyon Home Owners Association,

Email: m.tracy@echo-association.com

Plaintiff,

vs.

SIMPLIFI COMPANY, a Utah corporation; JENNIFER HAWKES, an individual; ERIC LEE HAWKES, an individual; JEREMY R. COOK, an individual, DAVID M. BENNION, an individual and DOES 1-46,

Defendants.

**CIVIL RIGHTS COMPLAINT** 

FILED PURSUANT TO 42 U.S.C. § 1983, § 1985

**REF: PENSKE** 

JURY TRIAL DEMANDED

Case: 2:21-cv-00444

Assigned To: Oberg, Daphne A.

Assign. Date: 7/22/2021

Description: Tracy v Simplifi et al

Mark Christopher Tracy ("Mr. Tracy") d/b/a Emigration Canyon Home Owners Association ("The ECHO-Association"), brings this action under 42 U.S.C. § 1983 and § 1985 to recover all damages, penalties and other remedies established under the Civil Rights Act of 1871 ("Civil Rights Act").

Plaintiff complains and alleges against Defendants as follows.

## I. INTRODUCTION

Upon information and belief, from sometime in 2013 to the present day, acting under the color of state law, Defendants knowingly conspired to impair a constitutionally protected property right to safe drinking water and thus the use and enjoyment of a private home in Emigration Canyon, Salt Lake County, Utah (the "Canyon") in order to unlawfully enrich themselves through the operation of a destructive water system and improper billing of fees and costs collected via Salt Lake County tax-foreclosure proceedings against nonmembers of the Church of Jesus Christ of Latter-Day Saints Emigration Canyon Ward ("LDS Non-members").

For good and valuable consideration, Canyon property owner and LDS Non-member Karen Penske ("Ms. Penske" aka Annarino) assigned legal right and title to Civil Rights Act claims to The ECHO-Association.

## II. PARTIES

- 1. The ECHO-Association is a registered dba entity of Mr. Tracy and is located in the city of Sandy, State of Utah.
- 2. Mr. Tracy is informed and believes that Defendant Simplifi Company ("Simplifi") is a private corporation organized and existing under the law of the State of Utah, with its headquarters located within Salt Lake County, State of Utah.
- 3. Mr. Tracy is informed and believes that Defendant Jennifer Hawkes ("Deputy Mayor Hawkes") is a current officer and director of Simplifi, is the current Deputy Mayor of the Emigration Canyon Metro Township, is the spouse of Eric Lee Hawkes, is a LDS Member, and is a resident of Salt Lake County, State of Utah.
- 4. Mr. Tracy is informed and believes that Defendant Eric Lee Hawkes ("Mr. Hawkes")(collectively "Simplifi Defendants") is the current general manager of the Utah special service water district Emigration Improvement District ("EID" aka Emigration Canyon Improvement District aka ECID), the current EID financial manager, the current EID election

specialist, the current EID certified public records officer, is a current officer and director of Simplifi, is a LDS Member, and is a resident of Salt Lake County, State of Utah.

- 5. Mr. Tracy is informed and believes that Defendant Jeremy R. Cook ("Utah Attorney Cook"), is a shareholder of the Salt Lake City law firm Cohne Kinghorn P.C., is the current legal representative of Deputy Mayor Hawkes, Mr. Hawkes and EID in pending state and federal litigation, is a LDS Member and is a resident of Salt Lake City, State of Utah.
- 6. Mr. Tracy is informed and believes that Defendant David M. Bennion ("Bishop Bennion") is a religious leader and LDS Member and is a resident of Salt Lake County, State of Utah.

## III. JURISDICTION

- 7. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1343(a), which specifically confers jurisdiction on this Court.
- 8. This Court is the proper venue for this action pursuant to 28 U.S.C. § 1391(b)(1) because at least one of the Defendants resides in this federal district.
- 9. This Court has personal jurisdiction over all Defendants because each is a resident of this district, or has its headquarters in this district, or conducts substantial business within this district.

## IV. NATURE OF THE CASE

## A. Background.

- 10. EID is a special service water district and "quasi-governmental entity" created in 1968 by Salt Lake County.
- 11. Upon information and belief, EID has no physical presence, no employees and operates entirely though LDS Members acting as "independent contractors" such as Simplifi Defendants and Utah Attorney Cook.
- 12. On March 29, 1985, Ms. Penske acquired perfected underground water right 57-8582 ("a13203") with a senior base priority date of May 1, 1902 and a change application priority of

- May 11, 1984 as a constitutionally protected property right to safe drinking water attained from the Canyon's Twin Creek Aquifer servicing her private home.
- 13. Originally built in the late 1980's to provide culinary water service to the luxurious Emigration Oaks Private Urban Development ("Emigration Oaks PUD"), Simplifi Defendants currently operate water system no. 18143 under duplications water claims described below ("Boyer Water System").
- 14. At present, approximately 300 Canyon residents are connected to the Boyer Water System while approximately 37 homes are connected to Salt Lake City Public Utilities and 340 homes are serviced by single-family domestic wells including Ms. Penske.

# B. Willful Contamination of the Twin Creek Aquifer and Destruction of the Canyon Stream for Private Profit.

- 15. In 1968, the Utah State Engineer closed the Canyon to new water use applications after determining that water sources of the area were "fully appropriated" and the operation of large-diameter commercial wells would impair senior water rights "with almost certainty."
- 16. On June 16, 1984, upon information and belief, although not approved by the Utah State Engineer as a point-of-diversion, private land-developers The Boyer Company LC through LDS Member Kem C. Gardner and City Development Inc. through LDS Member Walter J. Plumb III completed construction of Boyer Well Nr. 1 in the Twin Creek Aquifer approximately 6,625 feet from Ms. Penske's private well as the crow flies in order to provide culinary drinking water to the luxurious Emigration Oaks PUD at extraordinary private profit.
- 17. In August 1998, EID trustees assumed legal title and liability of the Boyer Water System from LDS Members Gardner and Plumb despite the fact that EID's own hydrologist had testified before the Utah State Engineer on December 15, 1995 the same large-diameter wells constructed

in the Twin Creek Aquifer by LDS Members Gardner and Plumb would interfere with artesian pressure supporting surface water flow of the Canyon Stream "for decades, twenty-five, fifty, seventy-five years."

- 18. EID assumed liability of the Boyer Water System, although the Boyer Well Nr. 1 was drilled into the Twin Creek aquifer with a Canyon Stream surface water right, which had been stripped from Mt. Olivet Cemetery Association in violation of the the deed from the United States of America dated May 16, 1874 that property "[and water right appurtenant thereto] shall forever used for the burial of the dead" as the only active military cemetery created by an Act of Congress ("Cemetery Water Right").<sup>1</sup>
- 19. Upon information and belief, upon EID's acquisition of the Boyer Water System in August 1998, LDS religious leader and member Fred A. Smolka ("Bishop Smolka"), stepped down as EID Trustee Chairman after first awarding his own private Utah corporation Management Enterprises LLC a no-bid contract to operate the Boyer Water System with Bishop Smolka christening himself as EID operations manager, EID financial manager, EID election specialist, and EID public records officer.
- 20. Sometime in 2013, EID transferred operation of the Boyer Water System from Bishop Smolka's private Utah corporation to Simplifi through fellow LDS members Deputy Mayor Hawkes and Mr. Hawkes.

Although the United States of America retained a reversionary interest in cemetery property (and water rights appurtenant thereto), to date both Salt Lake City and EID have refused to return water rights to hallowed cemetery grounds maintaining water claims for underground points of diversion for future private-urban developments in the Canyon. *See* open letter to United States congressional leaders available at the website maintained by The ECHO-Association at <a href="https://echo-association.com/?page\_id=6908">https://echo-association.com/?page\_id=6908</a>.

- 21. Upon information and belief, Simplifi has no employees, owns no property, and is operated from the private residence of Deputy Mayor Hawkes and Mr. Hawkes, which is simultaneously the place of business for EID registered with the Utah State Lt. Governor's Office.
- 22. Immediately following the acquisition of the Boyer Water System and the Cemetery Water Right, in order to allow further massive development of Phases 4A, 6 and 6A of the Emigration Oaks PUD at extraordinary private profit and at the expense of existing Canyon homes serviced by individual private wells, EID trustees and managers fraudulently acquired and then diverted federally-backed funds earmarked for "financially disadvantaged communities" for the construction of the Wildflower Reservoir, the Brigham Fork and the Upper Freeze Creek Wells on property belonging to wealthy private land developers under a likewise duplicitous water right acquired from the Emigration Dam and Ditch Company ("Dam & Ditch Water Right") as alleged in legal action commenced by Mr. Tracy against EID, Mr. Hawkes, The Boyer Company LC, City Development Inc. *et. al* under the federal False Claims Act ("FCA Litigation").<sup>2,3</sup>
- 23. In the 2015 and 2018 Sanitary surveys required under the federal Safe Drinking Water Act ("SDWA"), Simplifi falsely reported that the water distribution lines of the Boyer Water System were at least 8 inches in diameter, and could provide adequate water flow in a fire emergency contrary to the EID's own Water Conservation and Management Plan dated March 14, 2013 and public EID trustee meetings.

<sup>&</sup>lt;sup>2</sup> United States of America ex rel. Mark Christopher Tracy v. Emigration Improvement District et al., 10th Cir., Case No. 21-4059 (pending).

<sup>&</sup>lt;sup>3</sup> Although Simplifi is a private independent contractor of EID, Utah Attorney Cook entered appearance for Mr. Hawkes in FCA litigation at public expense.

- 24. On July 6, 2020 in an email to Utah Attorney Cook, Simplifi through Mr. Hawkes acknowledged that the Boyer Water System had exceeded SDWA reporting requirements for lead contamination of drinking water believed to be caused by groundwater mining of the Twin Creek Aquifer via operation of lager-diameter commercial wells but then refused to answer questions from The ECHO-Association regarding lead testing during the August 6, 2020 public EID trustee meeting and failed to warn Canyon residents of drinking water contamination.
- 25. On March 31, 2021, Simplifi through Mr. Hawkes, falsely certified to the Utah State Records Committee that all lead testing results of the Boyer Water System had been posted on the EID website maintained by Simplifi.
- 26. Upon information and belief, laboratory test results dated November 4, 2019 for the underground water sources of the Boyer Water System were fabricated by Simplifi Defendants to indicate "Non-Detect" for lead contamination.

# C. Unlawful Agreement to Retire Perfected Senior Water Rights to the Canyon's Twin Creek Aquifer under Duplicitous Water Claims.

27. On the EID website maintained by Simplifi under the unregistered designation "Emigration Canyon Improvement District" and "ECID" and with the knowledge of Utah Attorney Cook, Simplifi falsely maintains that "EID holds one of the most senior water right in the Canyon" and homeowners "can exchange their water right for the District's senior water right" despite the fact that all underground water sources of the Boyer Water System have the most junior water right priority date of September 12, 2018 under permanent change application "a44045" (57-7796) under the duplicitous Dam & Ditch Water Right or are unapproved points-of-diversion under the Cemetery Water Right.

- 28. Upon information and belief, since October 15, 2014, with the positive knowledge of Utah Attorney Cook, water letters issued by Simplifi Respondents for new residential construction in the Canyon fell under the duplications Dam & Ditch Water Right as documented in a study funded by the United States Department of Housing and Urban Development in November 1970.
- 29. In September 2018, the Emigration Canyon Stream suffered total depletion less than 2 miles from Utah's Hogle Zoo and in June 2021 Ms. Penske's private well exceeded Utah State drinking water standards for Total Dissolved Solids ("TDS") as predicted in a study completed by the Utah State Engineer in 1966, oral testimony presented to the Utah State Engineer on December 15, 1995 by the predecessor in interest to the Salt Lake City law firm Cohne Kinghorn P.C. of Utah Attorney Cook as well as the hydrological studies completed in July 2000 and September 2006.
- 30. In 2019, water revenue collected by Simplifi from the operation of the Boyer Water System equaled \$165,170.00 while the current annual federally-backed water revenue bond payments are \$253,000.00.
- 31. Upon information and belief, in the current calendar year, the EID budget prepared by Simplifi Defendants recorded operating expenses of the Boyer Water System at \$461,400.00 whereby Simplifi Defendants pay themselves 26% thereof (\$120,000.00).
- 32. Simplifi Defendants' compensation of public funds is comparable to the Utah State governor and Salt Lake City mayor.
- 33. Upon information and belief, the Salt Lake City law firm of Cohne Kinghorn P.C. through Utah Attorney Cook has secured over \$320,000.00 of public funds for the legal defense of EID and Simplifi Respondents in pending state and federal litigation since January 1, 2018.

#### V. CAUSE OF ACTION

- 34. Unable to service EID's current federally-backed debt obligations, sometime in June 2013, EID announced that it would began charging 86 Canyon residents not connected to the Boyer Water System a "fire-hydrant rental fee."
- 35. With the positive knowledge that the Boyer Water System's distribution lines were grossly undersized and unable to provide adequate flown in a fire emergency, underground water sources were contaminated with lead and were being operated under duplications water claims, Simplification Defendants began charging Ms. Penske "fire hydrant rental fee" but then for unknown reasons changed billing to a "water availability fee" and then a "water base fee" without explanation.
- 36. Upon information and belief, in order to increase the revenue of "account receivables," Simplifi Defendants created duplicate "accounts" for LDS Nonmembers not connected to the Boyer Water System.
- 37. Unable to terminate water service to private homes not connected to the Boyer Water System serviced by senior water rights, beginning in January 2014, Simplifi began certifying "delinquent accounts" with the Salt Lake County Treasurer of LDS Nonmembers leading to tax foreclosure proceedings although on August 7, 2008 the Salt Lake City law firm Cohne Kinghorn P.C. of Utah Attorney Cook had informed EID trustees that it may only certify outstanding fees for water usage.
- 38. In a bill dated 2/15/2021 [sic] for account "1022," Simplifi demanded payment from Ms. Penske in the amount of \$553.75 for a "Water Base Fee (3 months @ \$15 per month)" although Ms. Penske is not connected to the Boyer Water System operated by Simplifi, was not informed of undersized water distribution lines, lead contamination, operation of underground water sources under duplicitous water claims and constructed contrary to hydrological studies expressly warning against the operation of large diameter-commercial wells and groundwater mining of the Twin Creek Aquifer.

- 39. Upon information and belief, sometime in the fall of 2015, Emigration Oaks PUD Phase 4A resident, LDS religious leader and member Bishop Bennion admonished fellow LDS members of their "moral obligation" to pay fees and costs billed by Simplifi Defendants during a LDS religious meeting.
- 40. Upon information and belief, Defendants have commenced no tax-foreclosure proceedings against active LDS Members consistent with the instructions of Bishop Bennion since November 2014.

## VI. INJURY

- 41. On March 13, 2019, in order to prevent final tax-foreclosure sale of her private residence, Ms. Penske rendered payment in the amount of \$1,304.86 to the Salt Lake County Treasurer for the fees and costs assessed by Simplifi Defendants consistent with the instructions of Utah Attorney Cook and Bishop Bennion.
- 42. On June 15, 2021, Ms. Penske received an additional "Statement of Delinquent Taxes Due" from the Salt Lake County Treasurer under the designation "259-Emigration Improvement District" in the amount of \$361.49 certified by Simplifi Defendants consistent with the instructions of Utah Attorney Cook and Bishop Bennion indicating that a Redemption Certificate releasing the property from tax foreclosure proceedings would not be issued until the fees and costs certified to Salt Lake County were paid in full.
- 43. On June 2, 2021, for the first time since recording on March 29, 2018, Ms. Penske documented that her private well had exceeded Utah State drinking water standards for TDS as predicted in a hydrological study dated July 2000 warning against continued groundwater mining of the Twin Creek Aquifer including a study of the United States Geological Survey dated October 2005 warning against continued residential development of the Canyon.
- 44. Upon information and belief, as the aforementioned hydrological studies and reports were presented to Simplifi Defendants and Utah Attorney Cook during state and federal proceedings,

the Defendants knowingly and willfully impaired Ms. Penske's constitutional right to the use and enjoyment of a senior perfected water share providing safe culinary drinking water to her private home while simultaneously clouding title to her property.

- 45. On June 16, 2020, Mr. Tracy documented a 700-foot fissure and massive ground subsidence in the Twin Creek drainage area<sup>4</sup> consistent with documentation of groundwater mining in Cedar Valley, Utah and believed to provide a direct path for surface water contaminates to taint the aquifer providing culinary drinking water to Ms. Penske's private residence.
- 46. On September 9, 2020, for good and valuable consideration, Ms. Penske assigned present and future Civil Rights Claims to The ECHO-Association.

## VII. REQUEST FOR RELIEF

WHEREFORE, Mr. Tracy requests the Court enter the following relief:

- A. That this Court enter judgment against Defendants in the amount of damages for each payment made by Ms. Penske to include any past and future lien placed on her property by Defendants to include monetary renumeration for economic damage and loss;
- B. The Defendants pay punitive damages for malicious and/or reckless conduct described above, in amounts to be determined at trial;
- C. Grant such further relief as the Court deems necessary and proper; and lastly,
- D. Award Mr. Tracy legal fees and costs in this action.

## VIII. JURY TRIAL DEMANDED

Mr. Tracy respectfully requests a jury trial on all questions of fact raised by this Complaint.

<sup>&</sup>lt;sup>4</sup> See YouTube video aerial recording entitled "Ground Collapse and Fissures in the Emigration Oaks PUD (Freeze Creek Drainage Area)" available at the website administered by The ECHO-Association at https://echo-association.com/?page\_id=3310.

## IX. DECLARATION UNDER PENALTY OF PERJURY

The undersigned declares under penalty of perjury that he is the plaintiff in the above action, that he has read the above complaint and that the information contained therein is true and correct. 28 U.S.C. § 1746; 18 U.S.C. § 1621.

Executed at La Jolla, California on July 21, 2021.

Respectfully Submitted,

Mark Christopher Tracy dba

EMIGRATIÓN CANYON HOME

**OWNERS ASSOCIATION** 

Pro se Plaintiff

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JS 44 (Rev. 10/20)

## **CIVIL COVER SHEET**

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS	······································		DEFENDANTS	DEFENDANTS			
Mark Christopher Tracy, d/b/a Emigration Canyon Home Owners Association, pro se Plaintiff (b) County of Residence of First Listed Plaintiff  (EXCEPT IN U.S. PLAINTIFF CASES)			Jeremy R. Coo	Simplifi Company, Jennifer Hawkes, Eric Lee Hawkes, Jeremy R. Cook, David M. Bennion			
				County of Residence of First Listed Defendant Salt Lake, UT  (IN U.S. PLAINTIFF CASES ONLY)			
				ONDEMNATION CASES, USE T TOF LAND INVOLVED.	HE LOCATION OF		
(c) Attorneys (Firm Name, Address, and Telephone Number) N/A			Attorneys (If Known) FILED US District Court-UT JUL 22 '21 AM10: 18				
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2 U.S. Government Defendant	4 Diversity (Indicate Citizenship	of Parties in Item III)	_	2 a Incorporated and of Business In A			
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IV. NATURE OF SUI'				Click here for: Nature of S			
110 Insurance   120 Marine   130 Miller Act   140 Negotiable Instrument   150 Recovery of Overpayment & Enforcement of Judgmen   151 Medicare Act   152 Recovery of Defaulted Student Loans (Excludes Veterans)   153 Recovery of Overpayment of Veteran's Benefits   160 Stockholders' Suits   190 Other Contract   195 Contract Product Liability   196 Franchise   210 Land Condemation   220 Foreclosure   230 Rent Lease & Ejectment   240 Torts to Land   245 Tort Product Liability   290 All Other Real Property	PERSONAL INJURY  310 Airplane  315 Airplane Product Liability  320 Assault, Libel & Slander  330 Federal Employers' Liability  340 Marine  345 Marine Product Liability  350 Motor Vehicle 355 Motor Vehicle Product Liability  360 Other Personal Injury  362 Personal Injury - Medical Malpractice	PERSONAL INJURY  365 Personal Injury - Product Liability  367 Health Care/ Pharmaceutical Personal Injury Product Liability  368 Asbestos Personal Injury Product Liability  PERSONAL PROPERTY  370 Other Fraud  371 Truth in Lending  380 Other Personal Property Damage  385 Property Damage Product Liability	625 Drug Related Seizure of Property 21 USC 881 690 Other  The Fair Labor Standards Act 720 Labor/Management Relations 740 Railway Labor Act 751 Family and Medical Leave Act	422 Appeal 28 USC 158 423 Withdrawal 28 USC 157  **ROBERT PRICEITS**  820 Copyrights 830 Patent 835 Patent - Abbreviated New Drug Application 840 Trademark 880 Defend Trade Secrets Act of 2016  **SCOCKISS ECRIBIAN**  861 HIA (1395ff) 862 Black Lung (923) 863 DIWC/DIWW (405(g)) 864 SSID Title XVI 865 RSI (405(g))  **ROBERT PRICEITS**  870 Taxes (U.S. Plaintiff or Defendant) 871 IRS—Third Party 26 USC 7609	430 Banks and Banking 450 Commerce 460 Deportation 470 Racketeer Influenced and Corrupt Organizations 480 Consumer Credit (15 USC 1681 or 1692) 485 Telephone Consumer Protection Act 490 Cable/Sat TV 850 Securities/Commodities/ Exchange 890 Other Statutory Actions 891 Agricultural Acts 893 Environmental Matters		
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VI CALICE OF ACCES	ICivil Rights Act of 1871.	tute under which you are as amended, 42 U.S.C. s	filing <i>(Do not cite jurisdictional s</i> ec. 1983 and sec. 1985	tatutes unless diversity);			
VI. CAUSE OF ACTI	Brief description of cat	use: • unlawful employment pra	ctice of retaliation.				
VII. REQUESTED IN COMPLAINT:	CHECK IF THIS UNDER RULE 23	IS A CLASS ACTION B, F.R.Cv.P.	DEMAND \$	CHECK YES only JURY DEMAND	y if demanded in complaint: D: ■Yes □ No		
VIII. RELATED CAS IF ANY	(See instructions):	JUDGE		DOCKET NUMBER			
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