

Powder Mountain
Water & Sewer Improvement District
PO Box 270
Eden, UT 84310

May 3, 2013

Russ Watts
Summit Development
1400 N. 5900 E.
Eden, UT 84310

Subject: Summit Development Phase I (updated to 154 planned units) at Powder Mountain

Dear Russ:

This letter is to confirm that the Powder Mountain Water and Sewer Improvement District (PMWSID) can and will furnish water and sewer service to the above project upon your agreement with and completion of the following requirements to the satisfaction of PMWSID:

1. Summit Development shall furnish written approval from the local jurisdiction (Weber County, State of Utah) of the water allocation for the project and agrees to be solely responsible for determining annual water demand and wastewater generation estimates.
2. Summit Development shall enter into a Construction and Transfer of Water and Sewer Infrastructure Agreement with PMWSID prior to beginning the preliminary plan review process or the plan check review process. This agreement and any major infrastructure improvements shall be referenced in Summit Development agreements with the local jurisdiction.
3. All fees and charges shall be paid in accordance with PMWSID Rules and Regulations and at the time specified in the Infrastructure Agreement before initiating preliminary plan review, plan check review and connection to water and/or sewer service.
4. The new wastewater collection systems within the project area and connections to and/or abandonment of existing infrastructure shall comply with all PMWSID Rules and Regulations. In addition to conforming to District design requirements, Summit Development agrees to meet Utah Department of Health Services and County Health requirements.
5. Summit Development shall identify any other infrastructure improvements outside the project area that may be necessary as a result of this project. Water and sewer improvements outside of the project area may be borne by Summit Development in part or in whole depending on an assessment of project benefits.
6. All water and sewer infrastructure shall be placed within planned or existing public roadway right-of-way. PMWSID may have existing infrastructure that requires relocation

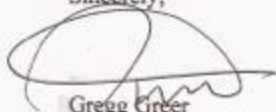
as a result of this project. All water and sewer infrastructure easements within the roadway right-of-way of the project will be conveyed to the PMWSID prior to acceptance by PMWSID.

7. If applicable, any existing septic systems and/or sewer pipes within the property lines of the project shall be identified and shall be abandoned according to County Health Department and PMWSID requirements.
8. Each business, tenant, residential unit, and common residential or commercial irrigated area, shall be individually metered.
9. Summit Development shall address each point of concern as identified by Reeve Associates in their (thus far) two design review letters dated January 21 and March 29 2013 to the satisfaction of PMWSID.

The PMWSID may identify additional requirements upon review of project documents, plans and specifications. If that occurs, we will immediately inform you.

If you have any questions please contact us at (801) 745-0924.

Sincerely,



Gregg Greer
Chairman, Board of Trustees
Powder Mountain Water and Sewer
Improvement District