Lakeview Water Corporation

Mountain Sewer Corporation

P.O. Box 314 Huntsville, UT 84317

June 18, 2021

Weber County Planning Rick Grover, Director 2380 Washington Blvd, Ste #360 Ogden, UT 84401

Re: Will-Serve Letter

Water & Sewer Service Parcel No. 20-036-0035

Dear Rick:

Lakeview Water Corporation and Mountain Sewer Corporation (the "<u>Utility Companies</u>") signed a Water and Sewer Connections Agreement dated September 6, 2019 ("<u>Connections Agreement</u>"), which conditionally agreed to provide water and sewer services for Parcel No. 20-036-0035. The Connections Agreement specifies the 3.22-acre Parcel will be developed to only include single-family residential homes, while water and sewer services must be used for residential purposes only. Section 14 of the Connections Agreement states: "Owner is strictly prohibited from utilizing such water and/or sewer service for commercial use or any other use that has not been explicitly approved by Lakeview Water and/or Mountain Sewer in advance and in writing (which approval may be denied in Lakeview Water's and Mountain Sewer's sole discretion)."

The Weber County Planning Division recently presented the Utility Companies with a copy of a proposed Development Agreement between Weber County and CW The Basin, LLC ("Development Agreement") regarding development of the Parcel. The Development Agreement proposes the construction of 13 "Rental Properties" that will be advertised, operated and used as short-term rentals, with each Rental Property including 8 bedrooms, 7 bathrooms, and overnight occupancy of 20 people with no limits on additional daytime guests. The entire project would include 104 bedrooms, 91 bathrooms, and would allow 260 overnight guests and any number of additional guests to simultaneously occupy and use the Rental Properties. This is clearly, for all intents and purposes, a commercial lodging project.

As reflected in the Connections Agreement, the Utility Companies have contracted to provide the Parcel with an agreed upon and reasonable level of water and sewer services for residential use in single-family dwellings as defined by the Weber County Land Use Code. Accordingly, per Section 14 of the Connections Agreement, the Utility Companies disapprove any commercial use or any other use of the Parcel, which includes short-term rentals or any other transient or non-residential use. It should be noted that the Utility Companies have not agreed to any conditional uses of the Parcel per the Weber County Land Use Code.

Weber County Planning June 18, 2021 Page 2 of 2

As the County is aware, Utah is in the midst of an unprecedented drought that continues to intensify. Lakeview Water and Mountain Sewer must continually assess and preserve the feasibility and capabilities of their culinary water systems and sanitary sewer services to prevent overuse, particularly during these very challenging times. That is precisely why the Connections Agreement, and the County Land Use, Development, and Management Act, require the Utility Companies' approval of any use of the Parcel.

As set forth in the Connections Agreement, the Utility Companies will provide culinary water and sewer services for 13 single-family dwellings located on the Parcel, which are to be used for residential purposes only.

Please be advised this letter replaces and supersedes any will-serve letters the Utility Companies have previously delivered in connection with the Parcel. The purpose of this letter is to reiterate and further clarify the conditions set forth in the will-serve letter dated June 7, 2021, including compliance with the Connections Agreement as described above.

Except for scheduled maintenance and construction, power failures, natural disasters and unforeseen circumstances, water and sewer service will be provided in accordance with applicable federal, state and local laws, rules, regulations, ordinances and standards.

Culinary water and sewer services to the Parcel are subject to and contingent upon the following:

- 1. Compliance with Utility Companies' policies and procedures as may be periodically amended;
- 2. Natural fluctuations in water supplies;
- 3. Any decisions or regulations that may be issued or imposed by local government agencies, the Utah State Engineer, the Utah Division of Water Resources, the United States Department of the Interior, or any other applicable governmental agency;
- 4. Payment of connection costs and standard billing for service. Failure to pay such costs and billings will result in temporary suspension and/or permanent cessation of service;
- 5. Water and sewer service and use must comply with the Water and Sewer Connections Agreement dated September 6, 2019.

Upon receipt of the water and sewer services, any users of such services agree to the above terms, and the terms set forth in the Lakeview Water and Mountain Sewer policies and procedures, as those policies may change from time to time. If you have any questions regarding this letter, or require any additional information, please contact our office.

Sincerely,

LAKEVIEW WATER / MOUNTAIN SEWER

Ray Bowden President