



EPCOR

2355 West Pinnacle Peak Road, Suite 300
Phoenix, AZ 85027 USA
epcor.com

May 8, 2016

Fred E. Fleet
Coe and Van Loan Consultants, Inc.
4550 North 12th Street
Phoenix, Arizona 85014

Dear Mr. Fleet,

This letter is to inform you that an analysis of the fire flow availability for the proposed Mountain Shadows West has been completed.

The analysis was performed using the hydraulic model for EPCOR Water's Paradise Valley water district, prepared by EPCOR. This model was last calibrated in 2010 and has been updated as necessary. The model is believed to be an accurate representation of the water system within a reasonable margin of error.

According to the plans submitted to EPCOR, the water lines proposed for Mountain Shadows West will be located in the northeast portion of the existing Mountain Shadows Golf Course, which is positioned at the southwest corner of Lincoln Drive and 56th Street. The proposed water lines are shown in the attached diagram. The new water lines will be 8-inch ductile iron pipe; they will connect to the existing 12-inch pipe in Lincoln Drive and the 8-inch pipe in 56th Street.

The Town of Paradise Valley is requesting a minimum fire flow of 1,500 gpm at a residual pressure of 20 psi. Based on the hydraulic modeling results of the proposed water lines, Mountain Shadows West will receive fire flows in the range of 2,064 gpm to 2,124 gpm at the required residual zone pressure of 20 psi (see attachment). This analysis was performed using the maximum day demand scenario. The results show that there is adequate fire flow availability to satisfy the minimum flow requested by the Town. Please note that these are estimated values from a model, and actual field tests are expected to vary depending on system demand and other fluctuating conditions.

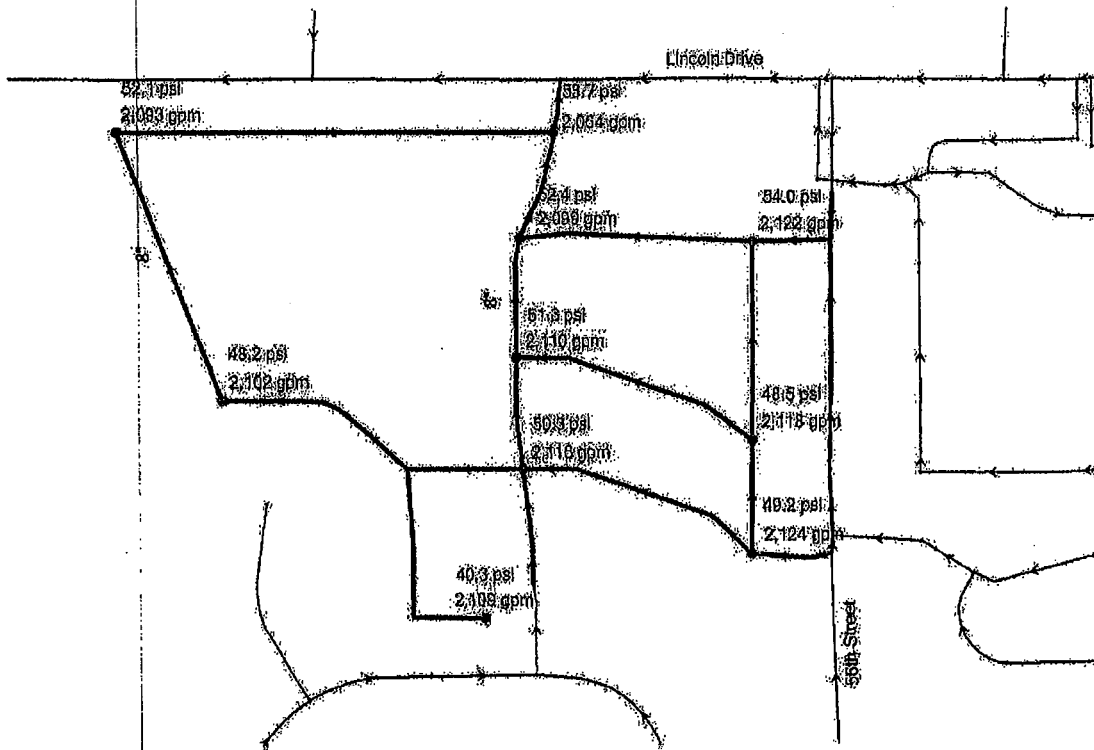
If you have any questions concerning the model or the analysis performed, please feel free to contact me.

Sincerely,

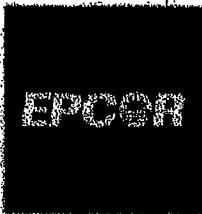
Gandace Coleman, PE
Engineering Project Manager
EPCOR Water

Attachment: Mountain Shadows West, Fire Flow Availability

**Mountain Shadows West
Fire Flow Availability and Residual Pressure
20 psi Minimum Zone Pressure
Maximum Day Demand Scenario**



Prepared by EPCOR Water
Paradise Valley Working Model



2355 West Pinnacle Peak Road, Suite 300
Phoenix, AZ 85027 USA
epcor.com

January 26, 2015

MTS Land LLC
18201 Van Karman Suite 950
Irvine, CA 92812

Sent via e-mail to: Fef@cvlcl.com

Re: Will-Serve Letter for Water Service
Villas at Mountain Shadows

To whom it may concern:

This letter is in response to Coo & Van Lee's request to EPCOR Water Arizona Inc. ("EPCOR") regarding EPCOR's willingness to provide water service to the Villas at Mountain Shadows (the "Development"). The Development is a residential project that encompasses approximately 9 acres and is located in the Town of Paradise Valley as shown in Exhibit A. EPCOR provides the following information for your consideration:

1. EPCOR has confirmed that the Development is located within the area encompassed by EPCOR's Certificate of Convenience & Necessity ("CC&N") as issued by the Arizona Corporation Commission.
2. Where new waterlines will be required to serve the Development, such water service to the Development by EPCOR will be conditioned upon the developer entering into a Main Extension Agreement (an "MXA") with EPCOR in a form acceptable to EPCOR, and upon the developer fully performing its obligations under the MXA. The MXA will provide, among other things, that the developer will be responsible for the cost to construct all water main extensions necessary to distribute water from EPCOR's existing system to the individual service line connections in the Development. The design and construction of all such main extensions will be subject to EPCOR's approval, and ownership of the main extensions, together with related real property easement rights, must be transferred to EPCOR prior to the initiation of water service in the Development.
3. Based on water service currently provided by EPCOR in the CC&N, EPCOR will have adequate water capacity for normal use in the Development upon developer's fulfillment of its obligations under the MXA. Please note that EPCOR does not guarantee the adequacy of its water capacity for fire protection.
4. Developer will be required, as a condition to EPCOR providing water service to the Development, to pay all required fees pursuant to EPCOR's then current tariffs and as may be provided in the MXA.

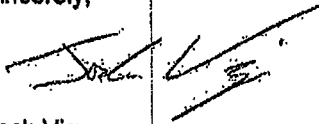
This letter assumes that construction of the main extensions within the Development will begin within one (1) year after the date of this letter.

If developer begins construction of any water mains in the Development or any other water service infrastructure intended to serve the Development without, in each instance, the prior written approval of such construction by EPCOR, developer will be proceeding with such construction at its own risk.

This letter does not independently create any rights or obligations in either developer or EPCOR, and is provided to developer for information only. Any agreement between developer and EPCOR for water service in the Development must be memorialized in a written agreement executed and delivered by their respective authorized representatives.

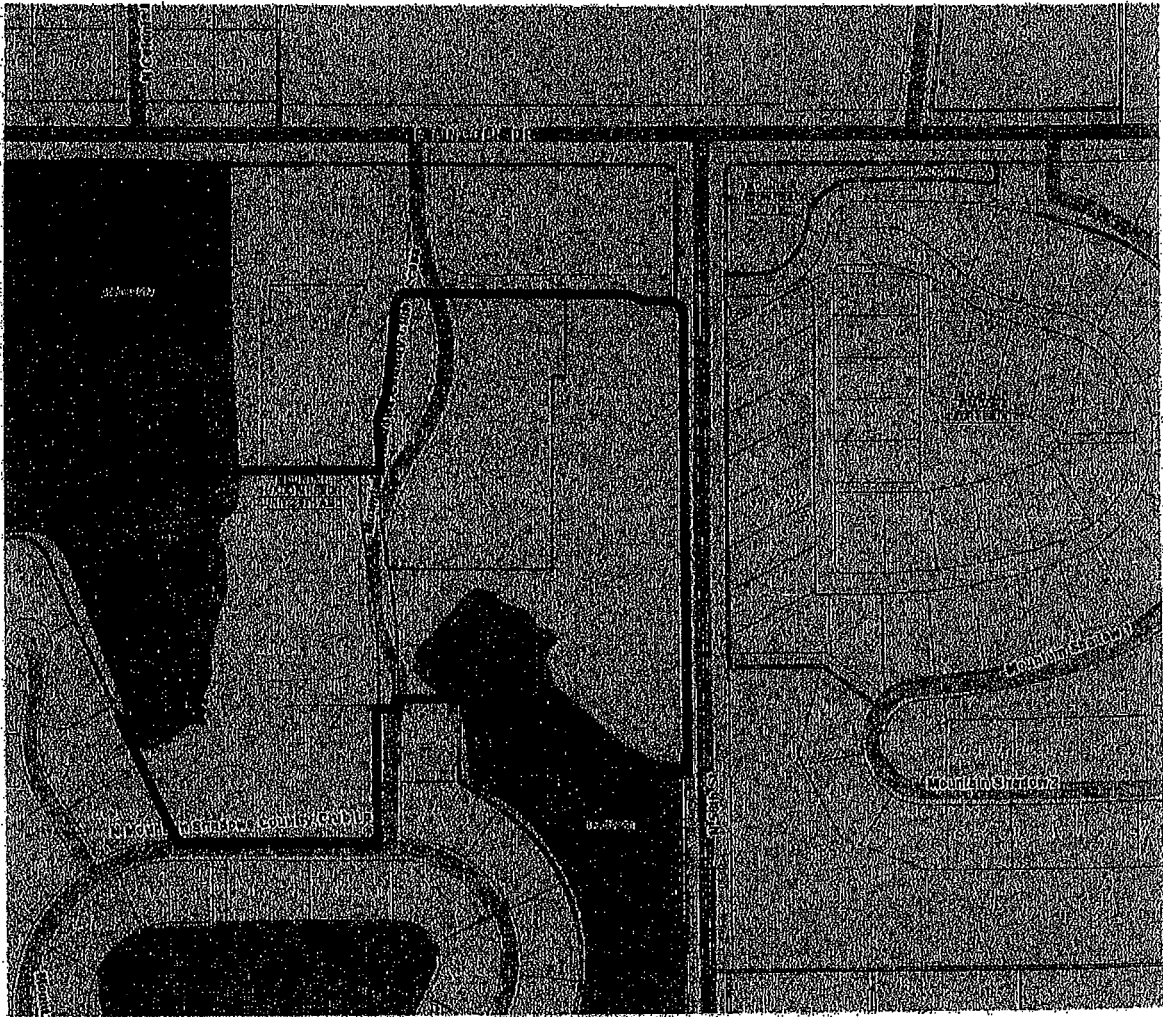
For additional information, please contact me at (623) 445-2495 or at jvig@epcor.com

Sincerely,

A handwritten signature in black ink, appearing to read "Josh Vig", written over a horizontal line.

Josh Vig
Project Manager

EXHIBIT A





City of Phoenix

WATER SERVICES DEPARTMENT
DISTRIBUTION & COLLECTION ENGINEERING DIVISION

August 13, 2007

Fred Fleet, P.E.
Fleet Fisher Engineering, Inc.
4250 E Camelback Road, Suite 410K
Phoenix, AZ 85018

Re: Mountain Shadows Redevelopment
56th St and Lincoln Drive – Paradise Valley, AZ

Dear Mr. Fleet:

In accordance with R18-9-E301C, the City of Phoenix affirms that it has capacity in its downstream collection system and treatment plants for the volume of wastewater from the proposed sewer collection system of the subject project.

Please call me at 602-495-5407 if we can provide additional assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Shannon".

James F. Shannon, P.E.
Civil Engineer III Team Leader
Distribution and Collection Engineering

c: Gary Griffith

**STATE OF ARIZONA
DEPARTMENT OF WATER RESOURCES
CERTIFICATE OF ASSURED WATER SUPPLY**

This is to certify that

MTS Land, LLC, a Delaware limited liability company, owner

has met the requirements of A.R.S. §§ 45-576 and the applicable regulations, and

By powers vested in the Director of the Arizona Department of Water Resources by the State of Arizona, and subject to the conditions contained in the applicable regulations,

Is issued this Certificate of Assured Water Supply for

**Mountain Shadows Resort
Township 2 North, Range 4 East, Section 8
GSRB&M Maricopa County, PHOENIX Active Management Area**

Sufficient water of adequate quality will be continuously available to satisfy the water demand of the referenced subdivision for at least one hundred years. The referenced subdivision consists of 178 lots as described in the preliminary plat on file with the Department, and has an estimated water demand of 36.42 acre-feet per year. The subdivision will be served groundwater by **EPCOR - Paradise Valley.**

This Certificate is invalid as to any entity not named above.
This Certificate may be assigned pursuant to A.A.C. R12-15-705.

Certificate Number: 27-700797.0000



ARIZONA DEPARTMENT OF WATER RESOURCES

John J. Gualbach

Program Manager

8/27/2014
Date

TYPE A CERTIFICATE