

February 12, 2026

VIA EMAIL AND HAND DELIVERY

Wayne Peterson, Mayor
Town of Leeds, Utah
Town Recorder
Aaron Price
Jeffrey Allen
Christine Harvey
Danielle Sterling
Kohl Furley
Leeds Town Councilors
mayor@leedstown.org
clerk@leedstown.org

Re: **SILVER POINTE ESTATES PETITION FOR
DISCONNECTION PURSUANT TO UTAH CODE ANN. §10-
2-501(2)(a)**

Mayor Peterson and Town Councilors,

This law firm represents Silver Reef Investment Holdings, LLC (“SRIH”). SRIH owns the property known as the Silver Pointe Estates (“SPE”) currently located in Leeds Town, Utah. SRIH has also retained Mr. Bruce R. Baird as co-counsel in this matter. SRIH hereby requests the Town take all necessary actions required under Utah’s Municipal Disconnection provisions, Utah Code Ann. §10-2-50 *et seq.* to disconnect the property described more particularly in Exhibit “1” attached (hereinafter the “Disconnection Property”) from the Leeds Town municipal boundaries.

I. NAMES, ADDRESSES, AND SIGNATURES OF THE OWNERS OF MORE THAN 50% OF ANY PRIVATE REAL PROPERTY WITHIN THE DISCONNECTION PROPERTY

Pursuant to the requirements of Utah Code Ann. §10-2-501(2)(b)(i), the following persons or entities own more than 50% of the private real property in the area proposed for disconnection:

Silver Reef Investment Holdings LLC
2825 E Cottonwood Parkway Suite 330
Salt Lake City, Utah 84121



Bonnie & Steve Mathews
254 S Silver Valley Rd
Leeds, UT 84746

Steve and Bonnie Mathews have signed separate Joinder of Disconnection Letters, attached, thereby joining and adopting the factual assertions and legal arguments presented for disconnection raised in this Petition.¹ Accordingly, they are also referred to herein as the “Petitioners.”

Additional property owners inside of the Disconnection Property boundaries include:

- Ray Crosby
- Angel Springs Special Service District
- BLM
- DHL Properties
- Richard C & Christine C Hicks
- Rodney M Hill
- June Babies LLC
- Leeds Domestic Water Users Ass.
- MMC INV LLC
- MMC INV LLC Series LE2
- Town of Leeds

A plat of the Disconnection Property is attached as Exhibit “2”. Maps, a table of the ownership, Tax ID numbers, acreages, assessed values, property taxes paid to the Town, and other information are attached as Exhibit “3”.

II. THE TOWN’S UNLAWFUL, ARBITRARY, AND CAPRICIOUS TREATMENT OF SPE

In accordance with Utah Code Ann. §10-2-501(2)(b)(ii) and Utah Code Ann. §10-2-502.7(3), SRIH submits the following facts in support of this petition to disconnect (hereinafter “Petition”) from the Town of Leeds. The facts demonstrate that SRIH’s application is viable, justice and equity require granting the Petition, and the Petition substantially complies with the requirements of the Utah Municipal Disconnection Statute.

¹ The Matthews’ Petition is attached hereto as Exhibit “4”.

A. Introduction

But when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce them under absolute Despotism, it is their right, it is their duty, to throw off such Government, and to provide new Guards for their future security.--Such has been the patient sufferance of these Colonies; and such is now the necessity which constrains them to alter their former Systems of Government. The history of the present King of Great Britain is a history of repeated injuries and usurpations, all having in direct object the establishment of an absolute Tyranny over these States. To prove this, let Facts be submitted to a candid world.²

Every private property owner in the Town of Leeds should be concerned about the Town's treatment of SRIH. For nearly 15 years, SRIH or its predecessors in interest have attempted, without success, to receive development approvals from the Leeds Town Council and Planning Commission to develop their private property consisting of approximately 105 acres) (hereinafter "the Property"). Gary Crocker (hereinafter "Crocker") and Rick Sant (hereinafter "Sant"), through their entities, were the original owners of the Property, and purchased the land in 2005 with the goal of constructing the "Silver Pointe Estates) (hereinafter "SPE") residential subdivision. As more fully described below, instead of receiving development approvals as a matter of course per the terms of a Development Agreement between SRIH and the Town as well as the basic provisions of the Town Code, elected and appointed officials of the Town conspired amongst themselves and with third parties to cause approval delays and the eventual expiration of SRIH's Development Agreement. In addition to these tactics, the Town frequently and arbitrarily changed the applicable requirements for receiving development approvals without justification in the SRIH Development Agreement or Leeds Town Code.

This pattern of behavior persisted for years, and for years SRIH diligently attempted to comply with the Town's requirements. Sant, now deceased, believed the Town would eventually do the right thing and approve construction of SPE and he diligently attempted to satisfy the ever-changing requirements placed on the development by the Town. After his death in 2020, when it appeared SRIH was on the verge of receiving the last of the Town "required" approvals, the Town enacted an Ordinance allowing it to vacate the SPE Phase I final plat and also refused to meet with SRIH development team members to entertain SRIH's

² See U.S. National Archives and Records Administration. (2020, July 24). Declaration of Independence: A transcription. <https://www.archives.gov/founding-docs/declaration-transcript>.

request for issuance of a notice to proceed with construction for Phase I of the development. And, after the expiration of the Development Agreement, elected and appointed officials of the Town further conspired amongst themselves and with third parties to delay prevent SRIH from obtaining any meaningful development rights for the Property.

The history of the development approval process faced by Sant and the SRIH development team is presented below. This history not only demonstrates that SRIH has been subjected to arbitrary and capricious governmental action, but also, that the Town of Leeds conspired with other entities to prevent SRIH from developing its private Property, and, in bad faith, engaged in delaying tactics effectively breaching the Development Agreement with SRIH and then refusing to adopt a new Development Agreement for the Cove at Silver Reef.

B. Land Purchase and Annexation

In December 2005, Crocker and Sant, through their associated entities, began working on the SPE development and purchased what would become the Property, which is the majority of the Disconnection Property, from Silver Reef Properties, LLC. Prior to purchase, Crocker and Sant hired a consultant to perform a Phase I Environmental Site Assessment for the Property as part of their due diligence work. On December 2, 2005, Crocker received the results of a Phase I Environmental Assessment of the various parcels underlying SPE.³ Due to historic mining activities on the Property and surrounding areas, the Phase I recommended remediation to bring the Property into compliance with standards applicable for residential use.

After discussing the issue with the State Department of Environmental Quality (DEQ), in January, 2007, Crocker Capital LLC entered into a Voluntary Cleanup Agreement with the DEQ to remediate the historic mining sites discussed in the Phase I.⁴ The Voluntary Cleanup Program (“VCP”) allows an innocent purchaser of polluted land to remediate property to applicable Federal and State environmental standards without waiting for the EPA or DEQ to begin their administrative processes to remediate the site. This option allowed Crocker and Sant to perform a public service in cleaning up an abandoned mining site, at a significant expense, while, at the same time, more efficiently moving forward with their development plans.

In the beginning, the Town appeared enthusiastic about working with Crocker and Sant on the SPE development. Shortly after the VCP Agreement was approved, on September 26, 2007, the Town Council accepted SRIH’s petition for

³ See <https://lf-public.deq.utah.gov/WebLink/DocView.aspx?id=112289&dbid=0&repo=Public>

⁴ See <https://lf-public.deq.utah.gov/WebLink/DocView.aspx?id=114209&dbid=0&repo=Public>

annexation of SPE into the Town of Leeds.⁵ Then on February 13, 2008, the Town Council held a public hearing and unanimously approved the annexation of SPE, then owned by Crocker Capital, LLC and the GRS Trust, into the Town of Leeds.⁶

C. The Leeds Development Approval Process

On September 26, 2008, the Town and SRIH finalized a Development Agreement for the SPE. In accordance with the requirements in the Development Agreement, SRIH worked with its engineers to prepare the required preliminary drawings and on January 7, 2009, the Planning Commission reviewed a preliminary plat for Phase I of the SPE. The preliminary plat was unanimously approved based on a letter from Alpha Engineering that answered the Commissioners' questions at the time.⁷ During the Planning Commission review, under Part 21.6.3.11 of the Town's Land Use Ordinance 2008-04, the Planning Commission was allowed to waive the requirements of the Land Use Ordinance pertaining to preliminary plats.^{8,9}

On January 14, 2009 the Town Council discussed the preliminary plat during a work meeting.¹⁰ During this meeting, Planner Clark Ronnow, hired by the Town, confirmed that Section 21.6.3.11 of the Land Use Ordinance 2008-04 allowed the Planning Commission to recommend the Town Council waive the preliminary plat requirements of Section 21.6.3.9 if they determined the type of subdivision or other circumstances did not justify compliance for the need of this information during the preliminary plat stage. "It was ascertained that since the Planning Commission did approve recommendation it constituted said waiver."¹¹ The Town Council then held a public hearing on the Preliminary Plat for Phase I of SPE on January 28, 2009.¹²

⁵ See Page 19, item 8. [2007.07-12-TC-MTG-AGENDA-MINUTES.pdf](https://leedstown.org/2007.07-12-TC-MTG-AGENDA-MINUTES.pdf) (leedstown.org).

⁶ See

<https://municert.utah.gov/Media/Default/Municipal%20Certifications/2009/Washington/leeds%20annex%208-27-08.pdf>

⁷ See [PLANNING COMMISSION AGENDA & MINUTES JAN 2009 TO DEC 2009 – Leeds](https://leedstown.org/PLANNING%20COMMISSION%20AGENDA%20&%20MINUTES%20JAN%202009%20TO%20DEC%202009%20-%20Leeds) (leedstown.org)

⁸ This section of the Leeds Town Code required: Existing topography of the proposed subdivision site at least one hundred (100) feet beyond its boundary, including but not limited to existing contours at one (1) foot intervals if the existing ground slope is less than fifteen percent (15%) and no less than five (5) foot intervals for existing ground slopes equal to greater than fifteen percent (15%). Existing contours shall be represented by dashed lines or by screened lines. A separate grading plan may be required to be submitted. Leeds 2008-04 Ordinance 21.6.3.9. [Chapter 21 Sec 21.1-21.14.11 SUBDIVISIONS – Leeds](https://leedstown.org/Chapter%2021%20Sec%2021.1-21.14.11%20SUBDIVISIONS%20-%20Leeds) (leedstown.org)

⁹ See [PUBLIC NOTICE](https://leedstown.org/PUBLIC%20NOTICE) (leedstown.org)

¹⁰ See [PLANNING COMMISSION AGENDA & MINUTES JAN 2009 TO DEC 2009 – Leeds](https://leedstown.org/PLANNING%20COMMISSION%20AGENDA%20&%20MINUTES%20JAN%202009%20TO%20DEC%202009%20-%20Leeds) (leedstown.org); <https://leedstown.org/wp-content/uploads/2008.01.14-TC-WORK-MTG-AGENDA-AMENDED.pdf>

¹¹ *Id.*

The preliminary plat was approved at the January 28, 2009, Town Council Meeting with condition that “petitioner establish an agreement with property owner to have an easement through his property for a two-lane ingress/egress road.”¹³ After receiving this condition, during 2009 Sant worked on acquiring this easement as well as continuing to perform necessary remediation work pursuant to the VCP Agreement. In conjunction with the VCP, on June 24, 2009, Sant and David Bird, Project Manager with the Utah DEQ, Division of Environmental Response and Remediation presented to the Town Council the status of the VCP Remedial-Action Plan for SPE.¹⁴

Due to the length of time it took to work on the road issue, on January 27, 2010, the Town Council heard a request from SRIH for an extension on the approval of the SPE preliminary plat requesting more time to file the final plat. The extension was granted.¹⁵

The Development Agreement also required SRIH to enter into an agreement with Leeds Domestic Water User’s Association (“LDWA”) or the Town to provide water service to SPE. To satisfy this requirement, Crocker and Sant purchased water rights and entered into a water service agreement with LDWA. The Town was specifically required to “support and assist in the facilitation of an agreement with LDWA to provide such culinary water service to the Project using LDWA’s culinary water system...”¹⁶ Crocker and Sant purchased 105 acre feet of water in reliance on the representations made in the Development Agreement and subsequently deeded those water rights to LDWA pursuant to a 2010 Water Rights Agreement. At the time the 2010 Water Rights Agreement was executed, Roger J. Sanders was the President of LDWA. This Water Rights Agreement was a simple contract setting forth the terms of the transfer of the water rights purchased by Crocker and Sant, *et al.* to LDWA so that SRIH could use the water rights for future connections in the LDWA service area.

In November of 2010, SRIH continued to work towards completion of its obligations under the VCP Agreement and submitted its Remedial-Action Plan to the Utah Division of Environmental Response and Remediation (“DERR”) for approval.¹⁷ SRIH again went to the Town Council and explained the Plan in depth

¹² See [2009.01.28 TC PUBLIC HEARING SILVERPOINTE ESTATES – Leeds \(leedstown.org\)](#); [2009.01.28 TC MTG AGENDA & MINUTES – Leeds \(leedstown.org\)](#)

¹³ *Id.*

¹⁴ See [2009.06.24 TC MTG & WORK SESSION AMENDED – Leeds \(leedstown.org\)](#)

¹⁵ See [2010.01.27-TC-MTG-AGENDA-AMENDED.pdf \(leedstown.org\)](#)

¹⁶ See Development Agreement at p.7.

¹⁷ See <https://lf-public.deq.utah.gov/WebLink/DocView.aspx?id=116989&dbid=0&repo=Public>

on December 8, 2010.¹⁸ The Remedial-Action Plan was then approved by DERR on January 13, 2011.¹⁹

D. The Leeds Development Approval Process Roadblocks

1. Letter of Compliance Requirement Distorts Into a Certificate of Completion Requirement

On January 26, 2011, Sant went before the Town Council to discuss progress on meeting the conditions placed on the preliminary plat for Phase I.²⁰ The Town Council did not approve the final Plat at that juncture, and Mr. Sant continued to work on the easement issue. On November 9, 2011 the Town Council discussed allowing SPE to bond for a portion of the development approved in the Phase I Preliminary Plat.²¹ Finally, on August 22, 2012, the Town Council held a public hearing and discussion regarding the SPE proposed final plat for Phase I and preliminary plat of Phase II.²² During this meeting the Town Council found the conditions placed on the approval of the preliminary plat for Phase I had been satisfied and approved moving forward with the Final Plat for Phase I, as well as the approval of the preliminary plat for Phase 2. The approval of the Final Plat for Phase I was conditioned on compliance with four items, one being “[t]hat the Town receives **a letter of compliance** from the State of Utah for the cleanup area, before **any building permits** will be allowed in that area.”²³ (Emphasis added.) Of importance, this language did not require issuance of a “Certificate of Completion” from DERR.

Prior to the Town’s condition of receiving a “letter of compliance”, there had been no requirement imposed on SRIH to provide any assurances from DERR regarding VCP compliance to begin construction or to record final plats. In fact, the 2008 Development Agreement generally required SRIH to “fulfill all responsibilities under the DERR Voluntary Cleanup Program Agreement if they develop the Project” but did not condition a Notice to Proceed or Plat Map recording on receiving a Certificate of Completion from DERR. The condition to receive a “letter of compliance” from DERR in this 2012 meeting is the first time this requirement surfaced in the development approval process.

After that meeting, the requirement to provide a letter from DERR mutated into several different forms. On February 13, 2013, the Town Council

¹⁸ See [2010.12.08-TC-AGENDA-MINUTES-signed.pdf \(leedstown.org\)](#)

¹⁹ See <https://lf-public.deq.utah.gov/WebLink/DocView.aspx?id=117149&dbid=0&repo=Public>

²⁰ See [2011.01.26 TC MTG AGENDA – Leeds \(leedstown.org\)](#).

²¹ See [2011.11.09-TC-MTG-AGENDA.pdf \(leedstown.org\)](#).

²² See [2012.08.22-TC-MTG-Agenda.pdf \(leedstown.org\)](#); [2012.08.22-TC-MTG-MINUTES-SIGNED.pdf \(leedstown.org\)](#)

²³ *Id.*

voted to allow an amendment to the SPE Development Agreement and to approve final plats for Phase I and Phase II, but preventing building permits from being issued for the same until:

“[T]he developer has completed the cleanup and remediation of environmental contamination on Phases 1 and 2 in accordance with the Voluntary Cleanup Agreement with the Utah Department of Environmental Quality, Division of Environmental Response and Remediation and the developer has provided the Town a **letter or certificate** from the Utah Department of Environmental Quality, Division of Environmental Response and Remediation that certifies Phases 1 and 2 of Silver Pointe Estates *have been cleaned up and remediated to the satisfaction of the Utah Department of Environmental Quality, Division of Environmental Response and Remediation.*”

(Emphasis added).²⁴

SPE agreed to this amendment of the Development Agreement in order to be able to receive approval for the final plat for Phase I, which was necessary to secure financing to pay for the VCP remediation work.²⁵ Again, however, this amendment did not require a Certificate of Completion to be issued in conjunction with the entire VCP area.

With the final plat for Phase I approved and financing secured, the remediation work for Phase I and Phase II moved forward beginning on September 18, 2013 and being completed on March 12, 2014.²⁶ On November 13, 2013 Sant and David Bird from the DERR attended the Town Council Meeting to discuss progress with the VCP cleanup.²⁷ During this time, Sant also requested a one-year extension to file the final plat for Phase II of SPE on August 14, 2013. This request was granted.²⁸

2. Elliott Sheltman's Misinformation Campaign

As the remediation work was nearing completion, sometime between September 2013 and March 2014, Elliott Sheltman (hereinafter “Sheltman”), who was serving as the new President of the Board of Directors of LDWA, recorded and uploaded a YouTube video wherein he published a number of false

²⁴ See <https://leedstown.org/wp-content/uploads/2013.02.13-TC-MIN-AGENDA.pdf>

²⁵ See [2013.02.13-TC-MIN-AGENDA.pdf](https://leedstown.org/2013.02.13-TC-MIN-AGENDA.pdf) (leedstown.org)

²⁶ <https://lf-public.deq.utah.gov/WebLink/DocView.aspx?id=120513&dbid=0&repo=Public>

²⁷ See [2013.11.13 tc meetingagenda.pdf](https://leedstown.org/2013.11.13-tc-meetingagenda.pdf) (leedstown.org)

²⁸ See <https://leeds.utah.gov/town-council-agenda-minutes/2013-08-14-tc-agenda-minutes/>

statements with regard to SRIH and SPE. The statements included false allegations that SPE was an “EPA cleanup site” that still contained radioactive materials, and that the developers were incapable of constructing the project. Sheltman stated “what we have had for 7 years is nothing, just one extension after another after another.”²⁹ Sheltman went on to state “[a]sk yourself if you can put a development in a place like that? I personally wouldn’t, but again, that’s what is being done here.” SRIH believes the comments were also made during the time Sheltman and another member of the Town Council (also an LDWA Board member) were appointed to the Leeds Planning Commission in January 2014.

Soon after Sheltman was appointed to the Leeds Planning Commission, and subsequently, to the Town Council, while simultaneously acting as the President of LDWA, the Town began placing burdensome requirements on SRIH for the engineering and placement of planned roads and water lines. Sheltman and others also concocted the false narrative that a “Certificate of Completion” was required, and required for the entire VCP Agreement area, in order to satisfy the conditions placed on the final plat for Phase I as well as the final plat for Phase II of SPE. For example, in a June 4, 2014, Planning Commission meeting, Sheltman interrogated Sant with regard to Phase II’s compliance with the 30% Hillside Ordinance. In this meeting Sheltman stated that the Town should separately review all of SRIH’s engineering data to determine compliance with the Ordinance before it could consider approval of the final plat for Phase II despite the fact that the data had been prepared by SRIH’s licensed engineers.³⁰

Shortly thereafter, on June 25, 2014, the Town Council and Planning Commission took a field trip to inspect the Property and review staking for the proposed roads and easements planned for the development.³¹ On August 6, 2014, the Planning Commission tabled consideration of the final plat for Phase II until SRIH could provide a “road report” and secure easements for the Town’s preferred routes for sewer and water lines, as well as determining the location of fire hydrants and hydraulics in conjunction with the lines.³² During the same meeting, Sheltman adamantly opposed a proposed amendment to the Hillside Ordinance that would have allowed a second access road for Phase II of SPE in order to comply with the Hillside Ordinance. His theatrics even caught the attention of the local news outlets.³³ As a result, that proposed amendment was tabled.

²⁹ This video has been removed from YouTube but SRIH retained a digital copy.

³⁰ See [PLANNING COMMISSION AGENDA & MINUTES JAN 2014 TO DEC 2014 – Leeds \(leedstown.org\)](https://leedstown.org).

³¹ See https://leeds.utah.gov/wp-content/uploads/2014.06.25_tcagendaandminutes.pdf

³² *Id.*

³³ See [Discussion gets heated at Leeds land ordinance amendment meeting – St George News \(stgeorgeutah.com\)](http://stgeorgeutah.com).

The Planning Commission considered the proposed amendment again on September 3, 2014, and this time Sheltman discussed the effect of the amendment on SPE specifically. All of the Commissioners then voted to recommend the amendment except for Sheltman (Commissioner Reed Brathwaite was absent).³⁴ Even though this amendment was recommended by the Planning Commission, the Town Council took more than eight months to pass a final version of the amendment. It was not until May 13, 2015, that the amendment to the Hillside Overlay Ordinance was finally approved.³⁵ During this meeting, Councilmember Angela Rohr voted against the amendment indicating that she wanted to continue on the path of preventing the SPE development from moving forward, in breach of the Development Agreement. Rohr stated “so is it felt that we needed to do this? Are we at risk for possible legal actions possibly in the future? Where are we standing on that?” There was no further action by the Town on the Phase II preliminary plat until a Planning Commission meeting on September 2, 2015. In this meeting, then Mayor Wayne Peterson indicated that he had met with Sant to discuss progress on road accesses and Mr. Sant would soon present a revised Phase II final plat.³⁶

At the same time Sheltman was disrupting the approval process for Phase II of SPE in the Planning Commission, he was working to delay regulatory and LDWA approvals for Phase I of SPE. In 2015, Sheltman, on behalf of LDWA, sent letters to DERR claiming that LDWA employees would be in danger if they worked at remediated SPE Property and requested DERR issue an opinion letter to that effect. DERR adamantly declined to do so. Sheltman also refused to provide SRIH a “will serve” letter from LDWA, which resulted in the parties drafting a December 3, 2015, Agreement governing issuance of a “will serve” letter. In this Agreement, the parties adopted the conditions in a November 4, 2010, letter drafted by the then President of LDWA, Benjamin Gordon, requiring SRIH to allow LDWA to review the engineering plans of the proposed water system before a “will serve” letter was issued. Sheltman also attempted to challenge the title to the water rights that were transferred to LDWA by SRIH in 2010 and threatened to withhold approval of a “will serve” letter until the nonexistent title issue was resolved.

In 2015 Sheltman, on behalf of LDWA, also requested the LDWA engineer, Karl Rasmussen, prepare a study of the LDWA water system for the Town. This study concluded that SRIH would be required to supply a water tank for the project and build a “loop water line” in order for the project to be compliant with LDWA’s engineering requirements. This was a brand-new issue

³⁴ See [PLANNING COMMISSION AGENDA & MINUTES JAN 2014 TO DEC 2014 – Leeds \(leedstown.org\)](#).

³⁵ See <https://leeds.utah.gov/wp-content/uploads/2015.05.13tcmtgminutesnadagenda.pdf>

³⁶ See [PLANNING COMMISSION AGENDA & MINUTES JAN 2015 TO DEC 2015 – Leeds \(leedstown.org\)](#)

raised for the first time in 2015 by Sheltman. In all previous discussions with LDWA prior to 2015 the water tank and loop water line were discussed but were not going to be required until Phase II received final approvals.

Due to this new requirement from LDWA, SRIH was required to once again rework its final plat for Phase I. On March 9, 2016, Sunrise engineering presented an amended final plat to the Town Council. The amendment contained a lot line adjustment for the LDWA water tank parcel.³⁷ By this time in 2016, Sheltman was now serving as a member of the Town Council. The Town Council unanimously approved the amendment to the final plat for Phase I and it briefly appeared that the Town and LDWA were going to comply with the terms of the Development Agreement and the December 3, 2015, restated Water Agreement.

On March 18, 2016, the Final Remedial-Action Report was submitted to DERR for approval.³⁸ A draft Site Management Plan was submitted on March 21, 2016.³⁹ Then, on May 25, 2016, the Town Council and the Mayor discussed the possibility of approving the final plat for Phase I of SPE in an upcoming meeting that would allow the plat to be recorded. The Mayor noted that LDWA and the developer had come to an agreement on the water tank and that was the final piece that needed to be addressed. He also stated that there were a variety of easements in the process of being obtained and there had also been a letter of credit provided in order to support the actual infrastructure if the Town approved the plat.⁴⁰

In conjunction with the pending approval and recording of the Phase I plat, on March 28, 2016, SPE received a letter from DERR making findings that Phase I had been cleaned up and remediated to the satisfaction of DERR and in accordance with all of the requirements of the VCP (hereinafter the Phase I No Further Action "NFA Letter"). The NFA Letter was shared with the Town to satisfy the requirements listed in the Amended Development Agreement. On June 8, 2016, Mayor Peterson determined that the final plat for Phase I met all of the required conditions of approval from the previous approval in 2013. The meeting minutes detail some of the delays caused by the actions of Sheltman and LDWA.

During this meeting, Sheltman reverted to his usual delaying tactics and attempted to add a condition to approving the final plat for recording that SRIH receive easements for waterlines to run to and from the newly proposed water

³⁷ See <https://leeds.utah.gov/wp-content/uploads/2016.03.09-TC-MTG-MINUTES.pdf#pdfjs.action=download>

³⁸ See <https://lf-public.deq.utah.gov/WebLink/DocView.aspx?id=120513&dbid=0&repo=Public>

³⁹ See <https://lf-public.deq.utah.gov/WebLink/DocView.aspx?id=120489&dbid=0&repo=Public>

⁴⁰ See <https://leeds.utah.gov/wp-content/uploads/2016.05.25-TC-MTG-MINUTES.pdf#pdfjs.action=download>. Sheltman was absent during this meeting.

tank location as well as requiring the “title issue” he previously created with the water rights to be resolved. The Mayor denied these attempts stating they were not conditions of the original Phase I plat approval, without further objection by Sheltman.⁴¹ After approving the recordation of the final plat for Phase I, the Mayor agreed to acquire all necessary signatures on the final plat for Phase I.⁴² Mayor Peterson stated, “[i]t is my understanding that in the past, the Town didn’t always do it themselves, but I think from a standpoint of a chain of control with regards to the map, it is very important that we will be the ones to obtain those signatures.”⁴³ The final plat for Phase I of SPE was then finally recorded on June 30, 2016.

Shortly thereafter and despite having attended the June 8, 2016, Town Council meeting, Sheltman, through LDWA, hired legal counsel and disputed the validity of the Mayor’s actions in a September 30, 2016, letter to SRIH. LDWA argued that because it did not sign the final plat prior to recording, it was invalid. However, Mayor Peterson previously made findings during the approval of the final plat that all of the issues with LDWA had been resolved, with no further objection from Sheltman.

The September 30, 2016, letter is also the first time SRIH was presented with another list of LDWA requirements that SRIH would have to comply with in order to receive a final “will serve” letter and sign-off on the final plat. The new requirements included:

- Provision of an overlay map for Figure 9, from the Final Site Remediation Map in the VCP Remedial-Action Plan;
- Identifying the size and location of all uranium ore including that labeled as “naturally occurring” rocks;
- Providing a Certificate of Approval from Fire District Authority, necessary for compliance with all fire hydrant placements, locations, etc.;
- Providing a Certificate of Approval from each of the utilities, including Rocky Mountain Power, Questar Gas, necessary for verification that all lines are located within the required distance from LDWA culinary water lines;
- Providing a Certificate of Approval from the Sewer/Wastewater Authority including locations, placements, etc. of proposed and future wastewater lines;
- Providing all easements necessary to eliminate dead-end lines within the development, completed and recorded with Washington County, UT; and
- Providing a Certificate of Completion from DERR for the VCP.

⁴¹ See [2016.06.08-TC-MTG-MINUTES.pdf \(leedstown.org\)](#)

⁴² *Id.*

⁴³ *Id.*

At the same time SRIH received this new list of requirements, LDWA, through Sheltman, was demanding that SRIH help it pay for a new water tank for the LDWA water system to serve SPE. The Board requested funding from SPE without any agreement or contract for how the tank would be financed and how SRIH would be paid back. In response, in 2018 SRIH's counsel drafted a Water Development and Line Extension Agreement and asked LDWA to review and comment before funding would be provided for the water tank. LDWA's counsel took several months to respond to the proposed agreement. LDWA also continued to raise the issue previously raised to DERR directly with regard to worker safety if they were to work on the water pipes on the SPE Property. To appease LDWA's fears of worker safety, in 2016 SRIH's engineer Rich White, as requested by LDWA, sent LDWA a letter addressing its concerns about worker exposure.

SRIH disputed the authority of LDWA to require a Certificate of Completion from DERR in order to issue a "will serve" letter as an ultra vires requirement outside of the authority of a culinary water authority. The SRIH development team did, however, spend the majority of 2016 focused on obtaining and providing the items raised in the letter from LDWA that were arguably within LDWA's authority to require. On this basis, SRIH met with Ash Creek Sewer District and negotiated sewer service for SPE. On February 22, 2017, the Town Council discussed an agreement to be the "body politic" with Ash Creek Sewer for SPE, stating in the minutes that the Town had agreed to be the body politic and had been working on an agreement with Ash Creek for over a year.⁴⁴

The SRIH development team also continued to work on getting final easements approved and recorded for utilities and roads. For months, Sant worked to get an easement from the neighboring property owner in order to place the LDWA required loop water line where it was shown on the recorded final plat for Phase I. These efforts are documented in the following meeting minutes discussing easement alternatives and highlight continued arbitrary and capricious delaying tactics used by the Town to prevent development of SPE:⁴⁵

- On July 12, 2017, the Town Council discussed roadway and easement alternatives for SPE. This meeting contained an extensive discussion of easement alternatives to satisfy the Town's requirements and the delays this issue has cost the project. Mayor Peterson stated the Town had been

⁴⁴ See [2017.02.22 TC MTG AGENDA & MINUTES – Leeds \(leedstown.org\); 218479.pdf \(utah.gov\); 224049.pdf \(utah.gov\)](#)

⁴⁵ The development team also discussed asking the Town to condemn the Ray Crosby easement, which was discussed in the Town Council meetings and predetermined to be a "no" vote from the Town Council.

trying to get Ray Crosby to agree to an easement for over a year and a half.⁴⁶

- In an effort to prevent further delays, Sant came up with an alternative location for the water line and on December 13, 2017, Sant went to the Town Council requesting approval to seek a 65-foot road/utility easement from the BLM, the width of a road easement required by the Town Code. The Town Council felt that width of the easement required in their own Town Code was too wide and requested Sant go to the BLM and request a 15-foot-wide easement that was not contemplated anywhere in the Town Code.⁴⁷
- On January 24, 2018, Sant requested the Town approve a BLM Easement for a 15-foot right of way for a water line. During the meeting, Council members Danielle Stirling and Sheltman, who were both on the LDWA Board at the time, appeared to be working as a team on behalf of LDWA and told Sant they preferred the original alignment for the water line. Sheltman and Sterling then insisted Sant go back to LDWA to discuss this new alignment with LDWA. They also insisted that all LDWA water lines must be located under a paved road so the 15-foot easement the Town had told Sant to apply for just weeks earlier, would not work for them. The Town Council then tabled the approval of the easement.⁴⁸
- On March 14, 2018, Mayor Peterson reported to the Town Council he was contacted by SPE that morning. He stated the SRIH engineers brought Sunrise Engineering and the Town Engineer a joint proposal where Ray Crosby and SRIH would place the road where it was originally proposed but passing through a small portion of BLM land. It was reported that Sunrise was reviewing the proposal to see if it met Town standards. The Mayor then added the new proposal on the March 28, 2018, agenda.⁴⁹
- On March 28, 2018, Sant went back to the Town Council regarding the new version of the BLM easement. This time the Town Council approved Sant to apply for the new easement with the BLM.⁵⁰
- On November 14, 2018, the SITLA easement was discussed. The Town Council approved Sant applying for a 25-foot SITLA easement. Sant also stated he was in negotiations with Ray Crosby to purchase his easement property.⁵¹

⁴⁶ See [2017.07.12 TC MTG AGENDA & MINUTES – Leeds \(leedstown.org\)](#)

⁴⁷ See [2017.12.13 TC MTG AGENDA & MINUTES – Leeds \(leedstown.org\)](#)

⁴⁸ See [2018.01.24 TC MTG AGENDA & MINUTES – Leeds \(leedstown.org\)](#)

⁴⁹ See [2018.03.14 TC MTG AGENDA & MINUTES – Leeds \(leedstown.org\)](#)

⁵⁰ See [2018.03.28 TC MTG AGENDA & MINUTES – Leeds \(leedstown.org\)](#)

- On January 9, 2019, the Town Council discussed the SITLA Easement. SITLA required the entire 66-foot-wide easement. During this meeting, Sheltman refused to approve the easement because it did not have an LDWA signature block on it. He also began to question the finality of the VCP cleanup, making unsupported statements during the meeting such as “it is his understanding that in the State of Utah no one has ever put residential development on an area that has been cleaned up of radioactive materials” and “it is his understanding that there is still some radioactive rock there.”⁵² Mayor Peterson moved to then delay approval of this easement once again and place this item on the January 23, 2019, meeting agenda so the signature block could be changed.
- On January 23, 2019, the Town Council continued to discuss the SITLA Easement and then tabled the discussion to February 13, 2019.⁵³ The Town was aware that the sale of the easement property to Ray Crosby was supposed to have closed on January 24, 2019.
- Finally, on February 13, 2019, the Town Council discussed possible action on the SITLA easement for SPE.⁵⁴ The easement was approved unanimously with the exception of Council Member Nate Blake who was absent.⁵⁵

During the time the Town Council delayed SPE through the easement requirements, LDWA and Sheltman ramped up their delaying tactics. In August of 2017, LDWA emailed DERR asking for a copy of the Certificate of Completion for the SPE VCP remediation for its records, knowing full well that the Certificate of Completion had not yet been issued. This can only be seen for what it was, an attempt to continue to harass SRIH and DERR over this made-up non-issue. Then, on October 11, 2017, Sheltman used his position on the Town Council to re-make LDWA’s argument that Mayor Peterson had unlawfully approved the final plat for Phase I of SPE.⁵⁶ Shortly thereafter, in December 2017, Sheltman, through LDWA, recorded a “Notice Regarding Culinary Water Service for Silver Pointe Estates Subdivision, Phase I.” In this “Notice” LDWA listed eight additional requirements SRIH allegedly was required to comply with to receive water service. These requirements were different than the list of “open requirements” in the previous September 2016 letter from LDWA.⁵⁷ This

⁵¹ See [2018.11.14 TC MTG AGENDA & MINUTES – Leeds \(leedstown.org\)](#)

⁵² See [2019.01.09 TC AGENDA & MINUTES – Leeds \(leedstown.org\)](#)

⁵³ See [2019.01.23 TC MTG AGENDA & MINUTES – Leeds \(leedstown.org\)](#)

⁵⁴ See [2019.02.13 TC MTG AGENDA & MINUTES – Leeds \(leedstown.org\)](#).

⁵⁵ See [472283.pdf \(utah.gov\)](#)

⁵⁶ See [2017.10.11 TC MTG AGENDA & MINUTES – Leeds \(leedstown.org\)](#).

additional attempt by Sheltnan's to require SRIH to provide additional documentation that had never before been required by LDWA to receive a will serve letter was noting more than an additional delay tactic to prevent construction of SPE.

3. Town's Initial Acceptance and Subsequent Rejection of Utah DERR's NFA Letter

On March 15, 2019, on a conference call between SRIH's engineer Rich White, Mayor Peterson, Janelle Bauer, and Marty Banks (another lawyer for SRIH), Mayor Peterson agreed to accept the NFA Letter for Phase I in lieu of a Certificate of Completion for the SPE VCP Agreement. Mayor Peterson also agreed that an NFA Letter would satisfy the requirement in the Development Agreement. In response to this decision by the Mayor, on July 12, 2019, LDWA wrote a letter to DERR criticizing the decision to issue an NFA Letter for Phase I in lieu of a Certificate of Completion. A response from DERR was mailed to LDWA on September 11, 2019, refuting LDWA's claims of wrongdoing therein. Then on September 29, 2021, DERR issued its formal NFA Letter for Phase I of SPE.⁵⁸

Having received the NFA Letter, the SRIH development team turned its attention to acquiring the final utility approvals needed to move forward with a notice to proceed to construction for Phase I. On February 15, 2023, the LDWA Board heard a presentation from Josh Wagstaff on the progress of SPE.⁵⁹ A decision to issue a "will serve" letter was then tabled due to lack of a quorum. On March 15, 2023, the SRIH development team again met with the Board of LDWA requesting issuance of the "will serve" letter for LDWA to commit to providing culinary water service to SPE.

In April 2023, LDWA, discussed numerous concerns that would lead to additional engineering conditions. On May 17, 2023, SRIH expected to finally receive the signed "will serve" letter from LDWA with the already approved conditions. In that meeting, instead of approving the "will serve" letter, the Board requested SRIH comply with two brand new requirements, including (1) to

⁵⁷ These requirements included a Clear Overlay Map; the DERR Certificate of Completion recorded with Washington County; the Silver Pointe Site Management Plan approved by the DERR; the Silver Pointe Environmental Covenant; proof of adequate drainage, location and area of the water storage tank; engineering plans for the waterline loop; required fire flows, peak use, and all other applicable rules in accordance with Utah Rule 309, DDW/DEQ and approved by LDWA identified by issuance of the LDWA Certificate of Approval; Fire District Certificate of Approval including waterline loop to meet fire hydrant and peak use flow rates established by the DDW/DEQ Rule 309; one full size set of drawings of the Silver Point Estates Final Plat Map and Supporting documentation.

⁵⁸ See <https://lf-public.deq.utah.gov/WebLink/DocView.aspx?id=123197&dbid=0&repo=Public>

⁵⁹ See [Meeting minutes \(ldwacorp.org\)](#).

provide a legal opinion as to the effect of split ownership between the surface and mineral estates within SPE, and (2) provide engineering documentation regarding the effect of naturally occurring radiation on PVC piping. SRIH promptly provided a responsive report from Richard White addressing the effect of radiation on PVC piping but otherwise objected to the additional requests. Finally, on June 21, 2023, LDWA had no other choice (except being sued by SRIH for breach of contract) and approved the “will serve” letter..

Despite having received the NFA Letter and approval from Mayor Peterson to accept the same in order to proceed with construction, the Town continued to insist that a formal Certificate of Completion, confirming completion of remediation for the entire VCP Agreement area, was required to allow any construction on any part of the SPE area (including the approved and recorded Phase I) to begin. Ironically, a similarly situated development proposed at the same time by SITLA was not required to even begin to cleanup the same abandoned mining wastes from its property in order to get development approvals. Instead, in late 2023, the Town approved SITLA’s application to develop the property where the heavily contaminated Christie Mill site is located without any requirement that the property meet state or federal cleanup standards prior to development.⁶⁰

4. Town Fanned the Fire of Unsubstantiated Misstatements Regarding Utah DERR’s NFA Letter and Health Risks

During 2023 LDWA approval process, the Town was inundated with public clamor opposing SPE based upon inaccurate information regarding the remediation work completed for SPE.⁶¹ On March 22, 2023 the Town Council materials contained a “Citizen Alert and Appeal to Leeds Town Council Regarding Silver Pointe Estates”.⁶² On April 13, 2023 Michelle Peot (who would later, in 2025, be appointed to serve out a term on the Town Council) and Ralph Rohr made additional false public comments on the safety of the VCP area. Peot also presented a slide show full of defamatory and false statements regarding the SPE VCP process and cleanup results. And, in a May 24, 2023, Town Council meeting, Peot reported to the Town that at the LDWA Board meeting a matter came up regarding the ownership of mineral rights at SPE and urged that this

⁶⁰ The Town’s treatment of SRIH when compared to SITLA creates a claim against the Town for a violation of SRIH’s constitutional right to equal protection of the law, requiring similarly situated persons be treated alike. *City of Cleburne v. Cleburne Living Ctr.*, 473 U.S. 432, 439 (1985). SRIH can prove it was treated differently than another similarly situated developers and SRIH has evidence that the selective treatment resulted from a malicious or bad faith intent by the Town of Leeds and some previous and current Town Council Members such as Sheltnan and Mayor Hoster to delay or prohibit construction of SPE. *Patterson v. American Fork City*, 2003 UT 7.

⁶¹ Mayor Wayne Peterson’s term ended in 2021 and Mayor Bill Hoster was elected for a four-year term.

⁶² See [965703.pdf \(utah.gov\)](#)

issue should be explored by the Town.⁶³ On June 28, 2023, Peot again claimed to the Town Council that she had reported Geiger counter data to the VCP program and EPA for the SPE area and that any new development agreement with SPE should be heavily scrutinized for public safety.⁶⁴

5. Town’s Baseless Attempt to Disqualify SRIH’s Selected Wastewater Utility Provider

On June 23, 2023, Ash Creek Special Service District (SSD) emailed then-Mayor Hoster and attached a “will serve” for sewer service for SPE. In response, instead of accepting the letter per the terms of the previous Town Mayor’s approval of Ash Creek Special Service District as the body politic for the SPE project, the Town questioned Ash Creek’s authority to provide sewer services within the Town. Ash Creek SSD responded and reminded the Town that it had, on multiple occasions, been asked to be and had “offered to serve as a 3rd party contract operator, as Body Politic” for developments inside of Leeds, including SPE.

6. Town’s Intent to Vacate Final Plat for Phase I of SPE is Unjustified

Knowing that SRIH had received all of its utility approvals, in late 2023 the Town unleashed a new legal argument that Sant from SRIH had failed to extend the Development Agreement on or by September 26, 2018, for the remaining five-year extension period provided in the Agreement. However, in an email to counsel on this matter before his death, Sant confirmed he had exercised his option to renew the Development Agreement with the Town in 2018 and had spoken to Mayor Wayne Peterson about the extension. Furthermore, adding weight to Sant’s credibility, the Town had continued to entertain (but delay) attempts by Sant to receive development approvals for the project well after September 26, 2018. The Town’s continued interaction with SRIH certainly confirmed the parties’ reasonable intentions and constituted at a minimum an implied extension. Nevertheless, on July 26, 2023, the Town Council held a discussion about the status of SRIH.⁶⁵ Ironically, the Town’s new legal theory to prohibit the construction of SPE gained traction during this meeting just at the very stage where SRIH had very few, if any, remaining requirements to satisfy to be issued a notice to proceed with construction.⁶⁶

In furtherance of the Town’s objective to stop SPE with or without justification, on August 4, 2023, the Town sent a letter to one of SRIH’s attorneys

⁶³ See [2023.03.22 TC MTG AGENDA & MINUTES – Leeds \(leedstown.org\)](#).

⁶⁴ See [2023.06.28-TC-MTG-MINUTES-.pdf \(leedstown.org\)](#)

⁶⁵ See [Town Council Agenda \(regular\) \(leedstown.org\)](#)

⁶⁶ See [2023.07.26-TC-MTG-MINUTES-DRAFT.docx \(live.com\)](#).

notifying SRIH that the Town intended to vacate the SPE's final plat for Phase I. In response, on August 7, 2019, Brock Riding, an SRIH representative, formally requested to be on the Town Council Agenda to discuss SPE and to request issuance of a notice to proceed with construction despite the August 4, 2023, letter. In an email dated the same day, the Town refused to add Mr. Riding to the agenda. On August 9, 2023, Brock Riding requested the Town Council put SPE on the next meeting's agenda during the public comment period of a Town Council meeting and asked the Town to consider the renewed final plat for Phase I.⁶⁷ The Town also refused this request. SRIH believes these refusals were based on the legal theory that the Development Agreement had expired in 2018 or that further delays would push approvals past the September 26, 2023, extended expiration date.

Then on August 29, 2023, the SPE development team discovered the Town had placed a supposed "Plat Vacation Ordinance" on the public notice website but did not include a copy of the supposed ordinance. The Ordinance was going to be considered by the Planning Commission on September 6, 2023, and the Town Council on September 13, 2023. On September 5, 2023, counsel for SPE emailed the Mayor advising the Town that the public notice was legally defective and no action could take place with regard to approving the proposed ordinance. This request was refused. On October 11, 2023, the Town Council approved adoption of the Ordinance purporting to allow the Town to vacate a recorded plat.

On January 3, 2024, the Town Council, apparently recognizing its procedural failures, requested that the Planning Commission consider the Town Council's proposal to vacate the SPE Phase I plat. The Planning Commission found this request troubling, citing concerns over violating the property rights of SRIH and did not understand why the Town Council was moving in this direction.⁶⁸ The Planning Commission then voted 5-0 against recommending to the Town Council that the SPE Phase I plat be vacated. The Planning Commission also noted that if the Town Council decided to vacate the plat, the roads should also be vacated. After this vote, the Town appeared to abandon its questionable plan to vacate the SPE plat.

7. The Cove at Silver Reef

In 2024 SRIH developed a new development plan for the property called the Cove at Silver Reef. This plan was developed in conjunction with several meetings with the Town to create a residential development that would be more likely to be approved by the Town Council. In August 2024, the SRIH team met

⁶⁷ See [2023.08.09-TC-MTG-MINUTES-DRAFT.pdf \(leedstown.org\)](#).

⁶⁸ See <https://www.utah.gov/pmn/files/1082557.pdf>.

with the Town to propose the Cove at Silver Reef which consisted of a clustered development and avoided developing in areas where there were environmentally sensitive areas or in areas where construction was prohibited due to the Town's Hillside Ordinance. The Cove at Silver Reef also included significant portions of land that would remain open to recreational uses and would be conserved for those uses. SRIH also offered to include additional protections for the Town to pay for any type of environmental issue that was encountered during construction and a period of time after construction through the use of an environmental escrow agreement and promises to fund the same. All of the aspects of the Cove project would be handled in a new Master Development Agreement.

On August 20, 2024, SRIH received the Certificate of Completion for the Voluntary Cleanup Program at the SPE. On August 29, 2024, representatives of SRIH met with Mayor Hoster and the Town Council regarding the preliminary Master Development Agreement and supporting documentation for the Cove at Silver Reef. SRIH was then required to submit a zone change application to move forward with this development plan. The application materials, along with a draft Master Development Agreement, were submitted in August 2024.

After the submittal of these materials the Town and SRIH entered into settlement discussions that are privileged under Rule 408 of the *Utah Rules of Evidence* and an agreement between the Town and SRIH for inadmissibility relating to those discussions that is even broader than Rule 408. Accordingly, those discussions are not referenced herein.

The Planning Commission considered the zone change/Master Development Agreement request in a public meeting February 5, 2025. During this work session meeting, the Planning Commission decided that the application was not complete because the Commissioners were "confused as to what zone" the Cove was applying for.⁶⁹ During the February 5, 2025, Planning Commission meeting, representatives from SRIH explained that, pursuant to applicable provisions of LUDMA a Master Development Agreement created could create its own zoning as long as appropriate processes were followed. The application, however, was tabled so that the parties could schedule a meeting with lawyers and representatives of the Town to discuss if this was a legal request.

The zone change/MDA for the Cove was then placed on the work session and official agenda for the Planning Commission on May 7, 2025, after numerous staff level meetings that worked through the projects Community Plan – land use standards/aspects of the project. During the Planning Commission meeting, Peot, who was by then a Town Council member, continued to raise spurious and specious issues regarding the safety of the development which had been

⁶⁹ <https://www.utah.gov/pmn/files/1250249.pdf>

repeatedly addressed by SRIH as well as the UDEQ. These issues raised by Peot were misleading, false and paranoid. The Planning Commission did not vote on the zone change on May 7, 2025, and scheduled a June 4, 2025, public hearing on the issue.

On June 4, 2025, representatives of the Cove appeared at the Planning Commission hearing and explained the revised plan, zone change request and the MDA.⁷⁰ During this meeting, former Mayor Wayne Peterson provided public comments attempting to raise alarm about the Project stating that the Town was asked to be the “backstop” for the Project about 7-8 years ago if the homeowners association did not pay for required ongoing maintenance.⁷¹ The comments by Peterson are not supported in the record and also show his lack of review of the additional protections SRIH had provided to the Town in the Cove MDA including the Environmental Escrow Agreement, comprehensive CC&Rs, and promises to pay for all UDEQ incurred expenses during the construction phase. In addition, Peot again raised issues relating to mining rights and the VCP cleanup that had all been addressed repeatedly by SRIH at previous public hearings and in written comments provided to the Town.

In response to this hearing, SRIH again agreed to provide the Town with a legal memorandum addressing potential liability issues stemming from the development of a remediated and closed VCP site.⁷² The Planning Commission then scheduled an additional work session to discuss the Cove and added it to their regularly scheduled Planning Commission meeting on July 2, 2025. On July 2, 2025, the Planning Commission voted to approve the Cove at Silver Reef’s zone change request with the condition that the number of lots be reduced to 115 lots from the proposed 144.

The thoughtful planning behind the Cove and confirms its strong alignment with the Town’s established development framework. A significant component of The Cove proposal is the dedication of approximately 73.51 acres—roughly half of the property—as permanent Open Space. By removing lots from the top of what is commonly known as the “Big Hill” and preserving this area in perpetuity, the plan for the Cove protects the prominent viewshed enjoyed by Silver Reef and the Town of Leeds. This approach prevents homes, roads, and associated activity from being placed on the ridgeline, ensuring continued scenic value and a responsible development pattern consistent with the Town’s long-term vision. In addition to preserving views, the proposed Open Space maintains the historical mining roads currently on the site. These routes will be retained for pedestrian use, mountain biking, and e-bike access, giving residents and visitors

⁷⁰ <https://www.utah.gov/pmn/files/1293127.pdf>

⁷¹ *Id.*

⁷² <https://www.utah.gov/pmn/files/1332751.pdf>

meaningful recreational opportunities. The designation of this Open Space will also substantially reduce the uncontrolled ATV activity that is presently occurring on the property, improving safety and protecting the natural landscape. In addition, preserving the “Big Hill” from development and improper use will also ensure that any environmental issues with the “Big Hill” are minimized.

Regarding the development standards, it is important to note that each element of the proposed Cove Zone—aside from the requested 20-foot front yard setback—is already found within one or more existing Leeds ordinances. The 10-foot side yard setbacks, for example, are already present in two of the Town’s residential zones. The Planning Commission additionally requested a corner yard setback for garages, a standard that does not currently exist in any Leeds zone. As a result, the Cove Zone was being held to a higher standard than any existing ordinance requires. Similarly, the proposed minimum lot width of 100 feet exceeds all half-acre zoning requirements and is equivalent to the standard applied to one-acre lots.

Given the property’s unique current characteristics, including three underlying residential zones with differing standards and the goal of preserving nearly half of the land as Open Space, the most logical and practical approach was to establish a single cohesive zone for the entire property. Attempting to track and apply separate 1-acre, 2-acre, and ½-acre zoning standards along irregular boundaries would be impractical and create inconsistent development patterns. For example, the majority of the half-acre zoned area lies within the proposed buildable area, which would permit 75-foot lots adjacent to areas requiring 100-foot widths. To avoid such inconsistencies, The Cove’s team worked collaboratively with the Planning Commission to establish a uniform standard of 100-foot lot widths throughout the buildable portion of the project.

It is also worth noting that under the existing base zoning, the property could support up to 161.9 homes—assuming building envelopes were established within each lot that contained non-buildable hill slopes. The previously recorded 22-lot plat is using used this building envelope approach on any hillside areas. This context highlights that the proposed Cove Zone is not increasing density beyond what is already permissible and, in fact, concentrated development away from sensitive hillside areas in favor of substantial preserved Open Space.

In summary, all standards proposed for The Cove Zone, with the sole exception of a front yard setback reduced by five feet, are already reflected in existing Leeds residential ordinances. The creation of a unified zone provides clarity, consistency, and a responsible development framework while providing significant community benefits through permanent Open Space, preservation of viewsheds, and enhanced recreation opportunities.

The formal recommendation from the Planning Commission was then forwarded to the Town Council. The Town Council scheduled a work session on October 8, 2025, to address the Cove at Silver Reef. The Town Council was again informed on the legality of using an MDA for the development and the current environmental conditions.⁷³ The Cove development team also agreed to revise the existing CC&Rs for the project and create one, uniform, set of CC&Rs for the Cove at Silver Reef. Finally, the Cove development team agreed to respond to a comment letter submitted by Ray Crosby addressing concerns about the siting of the repository on the SRIH property. On November 12, 2025, the Town Council scheduled a work session to review the application materials for the Cove. Before this meeting, representatives of SRIH submitted revised documents to the Town based on comments from the October 8, 2025, work session, including a revised set of CC&Rs, the response letter to Ray Crosby, and edited drafts of the Environmental Covenant and MDA.

On November 4, 2025, the Town held a municipal election where Peterson was elected to another four-year term as Mayor. Several of the Town Council members were also replaced during this election. On December 9, 2025, the Town Council considered the Cove's application as an action item on the agenda. During this meeting, representatives of the Cove were blindsided by what appeared to be a concerted plan devised by Council Member Sterling to ask members of the public to speak at the public hearing and "delay" (yet again) a decision on this action item. At the beginning of the meeting, Council Member Sterling created the issue, questioning whether SRIH had provided a copy of the zoning ordinance that was going to be voted on by the Town Council. Sterling also questioned whether the Town had had enough time to consider the Cove's application considering the number of documents that had been submitted to the Town for review. She then requested the item be tabled for the next Council to review.

Mayor Hoster stated during the meeting that the Cove had undergone a lengthy approval process and the Town owed SRIH a vote on the Project. The Town then entertained a vote on this issue and the Cove remained as an action item on the agenda. However, during the public comment period, Sterling's plan to delay action on the Cove became crystal clear, as numerous members of the public, stood up and repeated the issues that Ms. Sterling raised, nearly verbatim. During the deliberation on the Cove at this Town Council meeting, some members of the Town Council attempted to raise some of the previous issues with the Project that they had relied on previously to delay a decision or a vote on Silver Pointe Estates, including availability of water or easements for access roads.

⁷³ <https://www.utah.gov/pmn/files/1341783.pdf>

Representatives for the Cove explained that these issues have been resolved and were not pertinent to the issue of approving the rezone for the Cove. The Cove development team also presented information informing the Town Council that they were actually requesting fewer units than what was allowed under the current zoning. In response, Peot attempted to claim that acreage associated with a 30% slope could not be included in a density calculation for determining the number of lots allowed under the current zoning, a legal conclusion that highlights Peot's underwhelming knowledge of the development process under Utah law. Peot went so far as to claim that areas in excess of 30% slopes could not even be sold. Peot also claimed that the UDEQ would somehow fail to carry out its responsibilities under Utah law and could not be relied upon as the responsible oversight authority for ongoing maintenance activities required by the VCP. The Town's attorney was then required to explain to the Town Council that UDEQ was the legal regulatory entity over the VCP program and the Town was required to follow the UDEQ recommendations and approvals for the VCP program.

This back and forth with the Town Council and its attorney succinctly highlights the Sisyphean task that the Cove development team has been facing for 16 years. Even after pushing the development rock up each and every hill that the Town has placed in the path of the SPE/Cove approval – environmental cleanup, water, sewer, access easements, etc. - the Town simply rolls the rock back down to the base of another hill because the Town has no intention of approving residential development on the property due to members of the Town Council's unsupported, paranoid and arbitrary and capricious theories with regard to the safety of the development. Or the Town's desire to just keep SRIH's private property undeveloped for free open space for the Town's existing residents. Or both. The Town Council then unanimously voted to deny the zone change application for the Cove at Silver Reef.

III. STATUTORY BASIS FOR APPROVING THE PROPERTY'S DISCONNECTION FROM LEEDS

A. Justice and Equity Require the Town to Approve the Disconnection

Given the extensive evidence set forth above, SRIH is highly likely to prevail in court on a claim that "justice and equity" require disconnection in this case after a costly battle if the Town denies this petition. First, the land remains undeveloped, which is the type of land historically favored for disconnection. *See Bluffdale Mountain Homes, LC v. Bluffdale City*, 167 P.3d 1016, 1030 (2007). Second, as set forth numerous times above, since 2014 Town officials such as

Sheltman and others conspired with LDWA and other entities to delay and eventually prevent SPE/Cove from being approved and/or constructed. The actions by these individuals and the Town allowing this to take place were in many cases arbitrary and capricious, and otherwise unlawful. Given the Town's known propensity to make decisions without a basis in law or fact, and the current political environment in the Town of Leeds, it would be futile for SRIH to seek further development approvals in the Town and impossible for SRIH to receive fair treatment within the Town. SRIH should not be forced to endure further decades of delays or arbitrary governmental decision making to develop its private Property.

B. The Disconnection is Viable

Due to the actions of the Town of Leeds and LDWA to thwart the development of SPE, disconnection in this case is unquestionably viable. The cost to the Town of Leeds to provide services to the area will not change because it does not currently provide any services to the area. Similarly, the cost to the Town of losing tax revenue from the project is due to its own concerted and persistent efforts to prevent this project from being developed. Any loss the Town suffers is a direct result of its own deliberate and unlawful decisions, and its bad faith and breach of the SRIH Development Agreement. In addition, those losses, are generally thought to be minimal and reclaimed through sales tax and income generated by the ultimate development of the property at issue, regardless of its jurisdiction. *See Bluffdale Mountain Homes, LC v. Bluffdale City*, 167 P.3d 1016, 1030 (2007). The Town will also continue to function if this Property is annexed into the County in the same way it did before the Property was annexed into the Town. In fact, given the Town's treatment of the Property, it is abundantly clear that the Town has zealously determined to distance itself from the SPE/Cove development and would adamantly prefer to never allow the development of this Property.

The County will be able to provide services to the Property in a cost-effective manner and has done so in the past prior to annexation of this Property into the Town of Leeds. Since there are no current services provided by Leeds that the County would assume, the initial cost of disconnection will be minimal. The only service the Town provides is billing for the solid waste collection that the County provides. The billing for this service will change to the County. Fire and Police services will remain the same and are provided by Hurricane Valley Fire SSD and the Washington County Sheriff's office.

C. The Disconnection will not leave a "Peninsula" or "island" of Unincorporated Area That is Not Serviceable by the County

The map attached as Exhibit 2 establishes that the proposed disconnection would not create an "island or peninsula" of unincorporated County jurisdiction.

Instead, the disconnection actually removes a peninsula of unincorporated property from the zigzagging current boundaries of the Town. The Utah Supreme Court has addressed the ambiguity of the definition of the word “peninsula” as used in this statute and determined that, due to the ambiguous nature of the definition of the word “peninsula” in the statute, the Court may look to legislative intent to determine the provisions meaning. See *Bluffdale Mountain Homes, LC v. Bluffdale City*, 167 P.3d 1016, 1036 (2007). The Court held that the Legislature intended to prohibit certain results from disconnection, such as leaving a City or Town with an “unreasonable, asymmetrical boundary” or that services would be “impaired to the area considered to be a peninsula.” *Id.* The Court stated “the primary purpose of the ambiguous statutory definition of peninsula is to guard against the impairment of services.” Thus, even if a peninsula could be argued to exist after disconnection (which it does not) if it is “not the kind of peninsula that would significantly impair or inhibit the provision of services” the disconnection is permissible. *Id.*

In this case, there is no peninsula or island left containing unincorporated land that cannot be served by the County. Disconnecting the SRIH Property will simply return the town boundary to the same boundary it had prior to annexation of the SRIH property to the Town in 2008. All of the unincorporated areas at that time were capable of being serviced by the County as they are now.

D. Remaining Factors Permit Disconnection

Under Utah Code Ann. 10-2-502.7(4) in order to determine if the disconnection will make it economically or practically unfeasible for the municipality to continue to function as a municipality the Court will review the impact to (a) the municipality or community as a whole; (b) adjoining property owners; (c) existing or projected streets or public ways; (d) water mains and water services; (e) sewer mains and sewer services; (f) law enforcement; (g) zoning; and (h) other municipal services. Here, under part (a) there are no adverse effects on this property being removed from the town boundaries. Disconnection will only enhance the community by allowing the SPE property to be developed in Washington County. Under part (b) most of the adjoining property owners are already in the County, therefore the disconnection will enhance the ability of Washington County to serve these areas. Under part (c), the disconnection will not change the Town’s roads or connectivity with other parts of the Town. The impact on water mains and water services in part (d) is nonexistent because there are none. Similarly, there will be no impact to law enforcement under part (f) because Leeds does not provide any law enforcement services and contracts with Washington County. With respect to zoning in part (g) there will be no impact since the Town has refused to allow SPE to be constructed under a development agreement with the Town and with a recorded plat. Changes to zoning in Washington County versus the Development Agreement will be negligible.

Finally, because the land remains undeveloped, there will be no impact to other municipal services under part (h).

IV. Map of Proposed Disconnection Property

A legal description of the Disconnection Property is attached hereto as Exhibit "1". A plat of the Disconnection Property is attached hereto as Exhibit "2". Maps, a table of the ownership, acreages, Tax ID No's, assessed valuations, property taxes paid to the Town, and other information regarding the Disconnection Property are attached hereto as Exhibit "3".

V. Persons Authorized to Act on Petitioner's Behalf

Janelle Eurick Bauer, Bruce R. Baird, and Gary Crocker are authorized to sign on behalf of Silver Reef Investment Holdings, LLC. Steve and Bonnie Mathews are not represented by the above-mentioned counsel and have signed a separate document attached hereto as Exhibit "4" joining this Petition for Disconnection.

Very truly yours,

RAY QUINNEY & NEBEKER P.C.



Janelle Eurick Bauer

cc: H. Craig Hall, Esq. (via email)
Hyrum J. Bosserman, Esq. (via email)



Exhibit 1

COMMENCING AT A FOUND ALPHA ENGINEERING REBAR AND CAP, ESTABLISHED BY THAT CERTAIN ALPHA ENGINEERING RECORD OF SURVEY, DOCUMENT NO. 6359-14, OFFICIAL RECORDS WASHINGTON COUNTY, UTAH, SAID MONUMENT LIES SOUTH 01°01'25" WEST A DISTANCE OF 426.25 FEET FROM THE WEST QUARTER CORNER OF SECTION 6, TOWNSHIP 41 SOUTH, RANGE 13 WEST, SALT LAKE BASE AND MERIDIAN, SAID POINT BEING THE NORTHWEST CORNER OF THAT CERTAIN PROPERTY CONVEYED IN DOCUMENT NO. 20190002775 SAID OFFICIAL RECORDS; RUNNING THENCE SOUTH 72°41'37" EAST ALONG SAID PROPERTY 67.49 FEET; THENCE SOUTH 00°27'26" WEST ALONG SAID PROPERTY 264.70 FEET TO A POINT ON THE NORTH LINE OF THAT CERTAIN PROPERTY CONVEYED IN DOCUMENT NO. 20160019452 SAID OFFICIAL RECORDS, THENCE ALONG SAID PROPERTY SOUTH 88°40'20" EAST 606.71 FEET AND SOUTH 01°17'35" WEST 706.35 FEET TO THE NORTHWEST CORNER OF THAT CERTAIN PROPERTY CONVEYED IN DOCUMENT NO. 20120002373 SAID OFFICIAL RECORDS, THENCE ALONG THE NORTH LINE SAID PROPERTY AND NORTH LINE OF THAT CERTAIN PROPERTY CONVEYED IN DOCUMENT NO. 00850310 SAID OFFICIAL RECORDS SOUTH 88°56'23" EAST 1346.30 FEET TO THE SOUTHWEST CORNER OF THAT CERTAIN PROPERTY CONVEYED IN DOCUMENT NO. 20130036079 SAID OFFICIAL RECORDS, THENCE NORTH 01°38'34" EAST ALONG THE WEST LINE SAID PROPERTY A DISTANCE OF 755.31 FEET TO THE SOUTHWEST CORNER OF HOWARD MINOR SUBDIVISION, DOCUMENT NO. 732491 SAID OFFICIAL RECORDS, THENCE SOUTH 88°24'24" EAST ALONG THE SOUTH LINE SAID HOWARD MINOR SUBDIVISION 65.98 FEET MORE OR LESS TO THE NORTHWEST CORNER OF THAT CERTAIN THREE PARCEL MINOR SUBDIVISION CREATED BY RECORD OF SURVEY, DOCUMENT # 2947-99 SAID OFFICIAL RECORDS, THENCE ALONG THE WEST BOUNDARY OF SAID MINOR SUBDIVISION AND THE CENTERLINE OF AN IRRIGATION DITCH THE FOLLOWING NINE (9) COURSES AND DISTANCES: 1) SOUTH 19°41'24" EAST 71.98 FEET; 2) SOUTH 08°38'24" EAST 64.31 FEET; 3) SOUTH 29°16'26" EAST 64.08 FEET; 4) SOUTH 00°07'36" WEST 51.91 FEET; 5) SOUTH 07°08'04" WEST 55.92 FEET; 6) SOUTH 10°01'24" EAST 27.85 FEET; 7) SOUTH 26°22'24" EAST 37.18 FEET AND 9) SOUTH 38°13'24" EAST 91.47 FEET; TO THE NORTHWEST CORNER OF THAT CERTAIN PROPERTY CONVEYED IN DOCUMENT NO. 20130033726 SAID OFFICIAL RECORDS, THENCE ALONG THE WEST LINE OF SAID PROPERTY AND CONTINUING ALONG THE CENTERLINE OF SAID IRRIGATION DITCH THE FOLLOWING NINE (9) COURSES AND DISTANCES: 1) SOUTH 54°23'13" EAST 28.90 FEET; 2) SOUTH 64°21'21" EAST 34.19 FEET; 3) SOUTH 42°44'13" EAST 27.84 FEET; 4) SOUTH 48°19'02" EAST 31.22 FEET; 5) SOUTH 16°56'04" EAST 67.68 FEET; 6) NORTH 83°27'41" EAST 41.75 FEET; 7) SOUTH 47°48'08" EAST 26.47 FEET; 8) SOUTH 10°36'21" WEST 25.16 FEET AND 9) SOUTH 56°26'51" EAST 20.71 FEET MORE OR LESS TO THE WEST LINE OF THAT CERTAIN PROPERTY CONVEYED IN DOCUMENT NO. 20160006590 SAID OFFICIAL RECORDS, THENCE ALONG SAID WEST LINE SOUTH 01°49'13" WEST 146.78 FEET TO THE SOUTHWEST CORNER SAID PROPERTY, THENCE SOUTH 88°56'23" EAST ALONG THE SOUTH LINE SAID PROPERTY AND THE EXTENSION THEREOF EASTERLY A DISTANCE OF 264.02 FEET MORE OR LESS TO THE NORTHWEST CORNER OF THAT CERTAIN PROPERTY CONVEYED IN DOCUMENT NO. 20170012756 SAID OFFICIAL RECORDS, THENCE ALONG THE WEST LINE OF SAID PROPERTY AND THE WEST LINE OF THAT CERTAIN REAL PROPERTY CONVEYED IN DOCUMENT NO. 20180014107 SAID OFFICIAL RECORDS SOUTH 01°49'11" WEST 524.65 FEET; THENCE NORTH 86°48'47" EAST 168.86 FEET, THENCE SOUTH 03°24'13" EAST 65.05 FEET, MORE OR LESS TO THE NORTH



★ CONSULTING & ENGINEERING ★

LINE OF SILVER POINTE ESTATES SUBDIVISION, DOCUMENT NO. 20160023327 SAID OFFICIAL RECORDS, THENCE ALONG SAID SUBDIVISION THE FOLLOWING FIVE (5) COURSES AND DISTANCES: 1) NORTH 83°21'54" EAST 168.97 FEET, 2) SOUTH 83°00'50" EAST 45.07 FEET, 3) NORTH 03°49'20" EAST 6.15 FEET, 4) NORTH 84°43'56" EAST 32.48 FEET, AND 5) EASTERLY ALONG A 452.00 FOOT RADIUS CURVE TO THE RIGHT, (CENTER POINT LIES SOUTH 05°16'04" EAST) THROUGH A CENTRAL ANGLE OF 25°32'28", A DISTANCE OF 201.49 FEET TO THE NORTH LINE OF THAT CERTAIN PROPERTY CONVEYED IN DOCUMENT NO. 20140002742 SAID OFFICIAL RECORDS, THENCE ALONG THE NORTH LINE SAID PROPERTY NORTH 62°38'21" EAST 158.93 FEET TO THE MOST WESTERLY CORNER OF THAT CERTAIN PROPERTY CONVEYED IN DOCUMENT NO. 20210010987 SAID OFFICIAL RECORDS; THENCE SOUTH 38°13'19" EAST ALONG THE WEST LINE OF SAID PROPERTY 553.83 FEET TO THE MOST SOUTHERLY CORNER OF SAID PROPERTY TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE 15, UTAH DEPARTMENT OF TRANSPORTATION PROJECT NO. I-15-1(9)22, THENCE SOUTH 41°17'57" EAST ON A RANDOM LINE CROSSING SAID INTERSTATE 15 A DISTANCE OF 575.82 FEET MORE OR LESS TO THE SOUTH RIGHT-OF-WAY LINE OF SAID INTERSTATE 15, THENCE RUNNING ALONG SAID RIGHT-OF-WAY AND FENCE LINE THE FOLLOWING EIGHTEEN (18) COURSES: 1) SOUTH 48°42'03" WEST ALONG SAID LINE 182.96 FEET 2) SOUTHWESTERLY ALONG A 2,954.79 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT, (CENTER POINT LIES NORTH 38°33'07" WEST) THROUGH A CENTRAL ANGLE OF 04°08'44", A DISTANCE OF 213.79 FEET; 3) SOUTHWESTERLY ALONG A 2,954.79 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT, (CENTER POINT LIES NORTH 34°52'21" WEST) THROUGH A CENTRAL ANGLE OF 06°51'46", A DISTANCE OF 353.92 FEET; 4) SOUTH 72°49'20" WEST 140.51 FEET; 5) SOUTH 72°54'17" WEST 110.84 FEET; 6) SOUTH 74°10'57" WEST 33.62 FEET; 7) NORTH 52°09'12" WEST 11.66 FEET; 8) SOUTH 66°25'52" WEST 10.69 FEET; 9) SOUTH 05°15'16" EAST 10.33 FEET; 10) SOUTH 73°09'06" WEST 47.56 FEET; 11) SOUTH 86°51'26" WEST 9.16 FEET; 12) SOUTH 21°06'39" WEST 17.14 FEET; 13) SOUTH 27°04'25" WEST 54.53 FEET; 14) SOUTH 63°50'07" WEST 13.21 FEET; 15) SOUTH 68°45'14" WEST 67.52 FEET; 16) SOUTH 71°37'32" WEST 109.30 FEET; 17) SOUTH 73°11'19" WEST 92.03 FEET AND 18) SOUTH 73°42'06" WEST 279.84 FEET; THENCE DEPARTING SAID RIGHT-OF-WAY FENCE AND CROSSING INTERSTATE 15 ON A RANDOM LINE NORTH 00°58'49" EAST A DISTANCE OF 252.07 FEET TO THE NORTH RIGHT-OF-WAY LINE SAID INTERSTATE 15; THENCE ALONG SAID RIGHT-OF-WAY SOUTH 74°05'59" WEST 296.34 FEET MORE OR LESS TO THE MOST SOUTHEASTERLY CORNER OF THAT CERTAIN PROPERTY CONVEYED IN DOCUMENT NO. 20100019147 SAID OFFICIAL RECORDS, THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE AND SAID PROPERTY, THENCE SOUTH 73°34'23" WEST 318.33 FEET, AND 7) WESTERLY ALONG A 2,954.93 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT, (CENTER POINT LIES SOUTH 18°46'47" EAST) THROUGH A CENTRAL ANGLE OF 01°46'54", A DISTANCE OF 91.88 FEET; THENCE LEAVING SAID RIGHT-OF-WAY AND CONTINUING ALONG SAID PROPERTY THE FOLLOWING THIRTEEN (13) COURSES: 1) SOUTH 76°55'16" WEST 383.40 FEET, 2) NORTH 02°37'44" WEST 88.46 FEET, 3) NORTH 79°06'16" WEST 1,125.47 FEET, 4) NORTH 41°36'51" WEST 716.13 FEET, 5) SOUTH 87°21'01" WEST 22.65 FEET, 6) NORTH 63°11'12" WEST 603.87 FEET, 7) NORTH 17°37'18" EAST 301.04 FEET, 8) NORTH 71°13'40" WEST 533.40 FEET MORE OR LESS TO A POINT ON THE EASTERLY LINE OF THAT CERTAIN PROPERTY CONVEYED IN DOCUMENT NO. 20080015630 SAID OFFICIAL RECORDS, 9) NORTH 17°09'42" EAST ALONG SAID EASTERLY LINE 1,491.63 FEET, 10) NORTH 63°56'15" WEST ALONG SAID EASTERLY LINE 407.40 FEET, 11) LEAVING SAID PROPERTY CONVEYED IN DOCUMENT NO. 20080015630 AND RUNNING NORTH 64°31'26" WEST 184.54 FEET, 12) NORTH 17°27'34" EAST 389.00 FEET, 13) SOUTH 64°31'26" EAST 600.00 FEET, AND 14) SOUTH 72°32'26" EAST 448.44 FEET TO THE POINT OF BEGINNING.



CONTAINING 9,365,368 SQUARE FEET OR 215.00 ACRES

OWNER	OWNERSHIP TYPE	PARCEL NUMBER	ACREAGE	ASSESSMENT	SOUND FERTILITY
A	PRIVATE	3194-D-1W	.56	\$16,000	
B	PRIVATE	L-3-1-6-340	9.25	\$137,000	
C	PRIVATE	L-3-1-6-350	10.79	\$228,500	
D	PRIVATE	L-3-1-6-311	3.99	\$53,400	
E	PRIVATE	L-98-A	5.42	\$251,500	
F	PRIVATE	L-102-A	2.43	\$62,800	
G	PRIVATE	L-3-1-6-324	136.05	\$1,658,300	X
H	PRIVATE	L-96-A-1	1.60	\$198,815	
I	PRIVATE	L-96-A-2	.060	\$83,300	
J	PRIVATE	L-96-B	0.67	\$83,300	
K	PRIVATE	L-3-1-6-323	7.04	\$170,800	
L	FEDERAL		1.40		
M1	MUNICIPAL		0.92		
M2	MUNICIPAL		1.43		
M3	MUNICIPAL		9.93		
N	PRIVATE	L-3-1-6-325	0.47	\$14,100	
O	PRIVATE	L-70-A-1-A-2	5.73	\$128,100	
P	PRIVATE	LL-9-A-2-B	3.39	\$291,900	
Q1	FEDERAL		0.39		
Q2	FEDERAL		0.15		
R	PRIVATE	L-3-1-6-230	0.32	\$9,600	
S	STATE		5.99		
TOTAL			212.0		
PRIVATE			190.5		
PUBLIC			29.67		

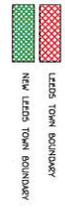


EXHIBIT 3
DISCONNECT AREA OWNERSHIP TABLE
 LEEDS CITY, WASHINGTON COUNTY, UTAH
 SECTIONS 6 & 7, T41S, R13W, & SECTION 1, T41S, R14W, SLB&M



REV.	DATE	NOTES

JOINDER AND PETITION FOR DISCONNECTION

I, Steve & Bonnie Mathews, ("Joining Petitioner"), pursuant to Utah Code §10-2-501, *et seq* hereby join in the Petition for Disconnection filed by Silver Reef Investment Holdings, LLC ("Original Petitioner") and, also petition for disconnection and respectfully represents the following:

1. **Ownership of Property.** Joining Petitioner is the owner of record of certain real property located within the municipal boundaries of the Town of Leeds, Washington County, Utah. The property is described as follows:
 - Parcel ID: L-78-A-1-A-2
 - Legal Description: See Exhibit A
 - Acreage: 4.67 AC

2. **Adjacency and Practicality.** Joining Petitioner's property is contiguous to the territory proposed for disconnection by the Original Petitioner. Inclusion of this property in the disconnection proceeding is practical and will not create "islands" or "peninsulas" of unincorporated territory, as prohibited by Utah Code §10-2-502.7.

3. **Adoption of Allegations.** Joining Petitioner hereby adopts and incorporates by reference all factual allegations and legal arguments set forth in the Petition for Disconnection filed by Silver Reef Investment Holdings, LLC. Specifically, Joining Petitioner asserts that the Town of Leeds is not providing, and cannot cost-effectively provide, municipal services that justify the continued inclusion of this property within town limits.

4. **Reasons for Disconnection.** In addition to the reasons cited by the Original Petitioner, Joining Petitioner seeks disconnection because:
 - The property is currently used for agricultural/undeveloped purposes and does not require municipal services.
 - Disconnection will allow for more efficient land use coordination with Washington County.

5. **Statutory Compliance.** A map or plat showing the Joining Petitioner's property in relation to the Original Petitioner's territory and the Town of Leeds boundary is attached to the Original Petition.

DATED this 6th day of February, 2026.

Signed by:

 2/6/2026
53B428791C0E4D9...
 Steve Mathews

Signed by:

 2/6/2026
53B428791C0E4D9...
 Bonnie Mathews