

January 14, 2026

Attn: Park City School District

Subject: Dewatering Statement for Treasure Mountain Project

As requested, I write to provide information regarding the dewatering activities on the Treasure Mountain project.

On January 8, 2026, a meeting was held on the Treasure Mountain project in Park City to discuss the dewatering process that was necessary to perform repairs on the sewer utility line. In attendance were representatives of Hogan & Associates Construction, Park City School District, Kenny Seng Construction (Utility Subcontractor to Hogan), RMEC Environmental (Environmental consultant hired by Park City School District), and Snyderville Basin Water Reclamation District Sewer District.

The Utah Division of Water Quality (DWQ) has determined that the ground water on this site contains lead and arsenic at levels higher than what the DWQ considers acceptable for discharge back into the ground or nearby creeks. However, the DWQ has identified two potential permitting processes that would allow discharging the ground water on site: a Treated Groundwater Surface Water Permit (TGSW) and a Groundwater Discharge Permit. After discussion, it was determined that the TGSW Permit is likely the only appropriate permit.

In addition, the DWQ has informed Hogan that dewatering can take place immediately and prior to obtaining a permit as long as the following steps are taken:

1. The ground water is to be pumped out of the ground and into Frac Tanks.
2. The water is to be stored in the tanks and not discharged until after the TGSW Permit is issued.
3. The stored water in the tanks is to be sampled and tested by an independent environmental consultant to determine if the water is contaminated and, if so, at what level.
4. Depending on the results of the water testing, an appropriate treatment plan, if any, will be presented to the state for approval prior to issuance of the TGSW permit.



Once the permit is issued, the water will be treated if necessary, and then discharged back into the ground, creeks, or canals. The dewatering process described above has started and is currently underway, awaiting sampling results and the TSWG permit from the state.

A TGSW permit was not obtained before the prior dewatering event because the environmental consultant at the time, sampled and tested the ground water that was encountered during excavation and reported back to Hogan that the groundwater "is not hazardous." Based on that result, a TGSW permit was not required. If the results of testing had indicated contaminated water, Hogan would have followed all DWQ guidelines, including obtaining a TGSW permit.

Moving forward, Hogan's intention and plan are to strictly follow the State DWQ guidelines as described above. Hogan will work closely with its project partner, RMEC Environmental, to apply for the required permit and to consult on any environmental concerns that are associated with dewatering.

Sincerely,
Hogan & Associates Construction

Rob Birch
Vice President of Construction