#### ASTM PHASE I ENVIRONMENTAL SITE ASSESSMENT REPORT Lowell Avenue Slopeside

Summit County Tax Assessor Parcel SA-321 Owner Nastar, LLC; 18.51-Acres

Park City, Summit County, Utah Approximately 18.51-Acres



Prepared for: Rory Murphy 2590 Sidewinder Drive Park City, UT 84060

Prepared by: Stantec Consulting Services Inc. 8160 South Highland Drive Sandy, UT 84093

Project No.: 203706003

November 4, 2016

## Sign-off Sheet and Signature of Environmental Professional

This document was prepared by Stantec Consulting Services Inc. ("Stantec") for the account of Mr. Rory Murphy and America First Credit Union. The material in it reflects Stantec's best judgment in light of the information available to it at the time of preparation. Any use which a third party makes of this report, or any reliance on or decisions made based on it, are the responsibilities of such third parties. Stantec accepts no responsibility for damages, if any, suffered by any third party as a result of decisions made or actions based on this report.

All information, conclusions, and recommendations provided by Stantec in this document regarding the Phase I ESA have been prepared by the professional whose signature appears below.

I declare that, to the best of my professional knowledge and belief, I meet the definition of Environmental Professional as defined in § 312.10 of 40 CFR 312. I have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the Property. I have developed and performed all the appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

Prepared by:

Judel

John G. Russell, III, CPG Sr. Hydrogeologist, Environmental Risk Manager

Reviewed By:

Rob Foye Environmental Scientist



Appendix E {Environmental Survey}

1

## **Table of Contents**

1.0SUMMARY	ABBRE	REVIATIONS	I
1.2       GENERAL HISTORICAL MINING BACKGROUND.       1.2         1.3       POTENTIAL RECOGNIZED ENVIRONMENTAL CONDITIONS (RECS)       1.4         2.0       INTRODUCTION       2.1         2.1       PROPERTY DESCRIPTION       2.2         2.2       SPECIAL TERMS, CONDITIONS, AND SIGNIFICANT ASSUMPTIONS       2.2         2.3       EXCEPTIONS AND LIMITING CONDITIONS       2.3         2.4       PERSONNEL QUALIFICATIONS       2.4         3.0       USER-PROVIDED INFORMATION       3.1         4.0       RECORDS REVIEW       4.3         4.1       Physical setting       4.3         4.1.1       Property Topography and Surface Water Flow       4.3         4.1.2       Regional and Property Geology       4.4         4.1.3       Regional and Property Hydrogeology       4.4	1.0	SUMMARY	1.1
1.3       POTENTIAL RECOGNIZED ENVIRONMENTAL CONDITIONS (RECS)       1.4         2.0       INTRODUCTION       2.1         2.1       PROPERTY DESCRIPTION       2.2         2.2       SPECIAL TERMS, CONDITIONS, AND SIGNIFICANT ASSUMPTIONS       2.2         2.3       EXCEPTIONS AND LIMITING CONDITIONS       2.3         2.4       PERSONNEL QUALIFICATIONS       2.4         3.0       USER-PROVIDED INFORMATION       3.1         4.1       PHYSICAL SETTING       4.3         4.1.1       Property Topography and Surface Water Flow       4.3         4.1.2       Regional and Property Geology       4.4         4.1.3       Regional and Property Hydrogeology       4.4	1.1	GENERAL PURPOSE	
2.0INTRODUCTION2.12.1PROPERTY DESCRIPTION2.22.2SPECIAL TERMS, CONDITIONS, AND SIGNIFICANT ASSUMPTIONS2.22.3EXCEPTIONS AND LIMITING CONDITIONS2.32.4PERSONNEL QUALIFICATIONS2.43.0USER-PROVIDED INFORMATION3.14.0RECORDS REVIEW4.34.1PhysiCAL SETTING4.34.1.1Property Topography and Surface Water Flow4.34.1.2Regional and Property Geology4.44.1.3Regional and Property Hydrogeology4.4	1.2	GENERAL HISTORICAL MINING BACKGROUND	
2.1PROPERTY DESCRIPTION.2.22.2SPECIAL TERMS, CONDITIONS, AND SIGNIFICANT ASSUMPTIONS2.22.3EXCEPTIONS AND LIMITING CONDITIONS2.32.4PERSONNEL QUALIFICATIONS2.43.0USER-PROVIDED INFORMATION3.14.0RECORDS REVIEW.4.34.1PHYSICAL SETTING4.34.1.1Property Topography and Surface Water Flow4.34.1.2Regional and Property Geology4.44.1.3Regional and Property Hydrogeology4.4	1.3	POTENTIAL RECOGNIZED ENVIRONMENTAL CONDITIONS (RECS)	
2.2SPECIAL TERMS, CONDITIONS, AND SIGNIFICANT ASSUMPTIONS2.22.3EXCEPTIONS AND LIMITING CONDITIONS2.32.4PERSONNEL QUALIFICATIONS2.43.0USER-PROVIDED INFORMATION3.14.0RECORDS REVIEW4.34.1PHYSICAL SETTING4.34.1.1Property Topography and Surface Water Flow4.34.1.2Regional and Property Geology4.44.1.3Regional and Property Hydrogeology4.4	2.0		2.1
2.3EXCEPTIONS AND LIMITING CONDITIONS2.32.4PERSONNEL QUALIFICATIONS2.43.0USER-PROVIDED INFORMATION3.14.0RECORDS REVIEW4.34.1PHYSICAL SETTING4.34.1.1Property Topography and Surface Water Flow4.34.1.2Regional and Property Geology4.44.1.3Regional and Property Hydrogeology4.4	2.1	PROPERTY DESCRIPTION	
2.4PERSONNEL QUALIFICATIONS2.43.0USER-PROVIDED INFORMATION3.14.0RECORDS REVIEW4.34.1PHYSICAL SETTING4.34.1.1Property Topography and Surface Water Flow4.34.1.2Regional and Property Geology4.44.1.3Regional and Property Hydrogeology4.4	2.2	SPECIAL TERMS, CONDITIONS, AND SIGNIFICANT ASSUMPTIONS	
3.0       USER-PROVIDED INFORMATION       3.1         4.0       RECORDS REVIEW       4.3         4.1       PHYSICAL SETTING       4.3         4.1.1       Property Topography and Surface Water Flow       4.3         4.1.2       Regional and Property Geology       4.4         4.1.3       Regional and Property Hydrogeology       4.4	2.3	EXCEPTIONS AND LIMITING CONDITIONS	
4.0RECORDS REVIEW.4.34.1PHYSICAL SETTING	2.4	PERSONNEL QUALIFICATIONS	2.4
4.1PHYSICAL SETTING4.34.1.1Property Topography and Surface Water Flow4.34.1.2Regional and Property Geology4.44.1.3Regional and Property Hydrogeology4.4	3.0	USER-PROVIDED INFORMATION	3.1
<ul> <li>4.1.1 Property Topography and Surface Water Flow</li></ul>	4.0	RECORDS REVIEW	4.3
<ul><li>4.1.2 Regional and Property Geology</li></ul>	4.1	PHYSICAL SETTING	
4.1.3 Regional and Property Hydrogeology			
4.2 FEDERAL STATE AND TRIBAL ENVIRONMENTAL RECORDS			
·	4.2		
4.2.1 Listings for Property		$\mathbf{O}$	
4.2.2 Listings for Nearby Sites with Potential to Impact Property			
4.3 HISTORICAL RECORDS REVIEW	4.3		
4.3.1 Land Title Records/Deeds		···· · · · · · · · · · · · · · · · · ·	
4.3.2 Historical Aerial Photographs and Topographic Maps			
4.3.3 Other Historical Sources			
5.0 SITE RECONNAISSANCE			
5.1 SITE RECONNAISSANCE METHODOLOGY			
5.2 GENERAL DESCRIPTION			
5.3 HAZARDOUS SUBSTANCES AND PETROLEUM PRODUCTS			
5.4 INTERIOR OBSERVATIONS			
5.5 EXTERIOR OBSERVATIONS			
5.5 UNDERGROUND STORAGE TANKS/STRUCTURES			
5.6 ABOVEGROUND STORAGE TANKS			
5.7 ADJOINING PROPERTIES	5./		
5.7.1 Current Uses of Adjoining Properties			
5.7.2 Observed Evidence of Past Uses of Adjoining Properties			
<ul><li>5.7.3 Pits, Ponds or Lagoons on Adjacent Properties</li></ul>	4.0	<b>e i i</b>	
<ul> <li>6.0 INTERVIEWS</li></ul>			<b>0. I</b>
6.1         FINDINGS FROM INTERVIEWS			
7.1 FINDINGS AND OPINIONS			
7.1 THADINGS AND OF INIONS			
7.2 DATA GAT 3			
8.0 NON-SCOPE CONSIDERATIONS			



#### 

#### LIST OF FIGURES

User-Provided Property Map Figure 1 Property Topographic Map, Excerpted from ERS Report Figure 2 Property Aerial Map, Excerpted from ERS Report Excerpted 1955 USGS Park City West Quadrangle Topographic Map Excerpted USGS Professional Paper 77, Geology and Ore Deposits of Park City District, 1912

#### LIST OF APPENDICES

APPENDIX ACOPIES OF USER-PROVIDED AND SUMMIT COUNTY TAX ASSESSORRECORDSAPPENDIX BCOPIES OF BLM RECORDSAPPENDIX CCOPIES OF SITE VISIT PHOTOGRAPHSAPPENDIX DCOPY OF THE ENVIRONMENTAL RECORDS REPORTAPPENDIX ESTANTEC RESUME



## **Abbreviations**

AAI	All Appropriate Inquiry
AST	Aboveground Storage Tank
ASTM	American Society for Testing and Materials
AULs	Activity Use Limitations
BLM	Bureau of Land Management, United States
CAA	Clean Air Act
CERCLA	Comprehensive Environmental Response, Compensation, and Liability Act
CFR	Code of Federal Regulation
CREC	Controlled Recognized Environmental Conditions
CWA	Clean Water Act
EP	Environmental Professional
ESA	Environmental Site Assessment
HREC	Historical Recognized Environmental Conditions
LUST	Leaking Underground Storage Tank
RCRA	Resource Conservation and Recovery Act
REC	Recognized Environmental Condition
US EPA	United States Environmental Protection Agency
USGS	United States Geological Survey
UST	Underground Storage Tank
UDEQ	Utah Department of Environmental Quality
UDWR	Utah Division of Water Rights

November 4, 2016 SUMMARY

### 1.0 SUMMARY

#### 1.1 GENERAL PURPOSE

Stantec Consulting Services Inc. ("Stantec") has completed a Phase I Environmental Site Assessment (ESA) report of the approximate 18.51-acre Property located in Park City, Summit County, Utah [the "Property"], on behalf of Mr. Rory Murphy and America First Credit Union (the "Client"). The Client and its legal counsel have been designated as the User of this report. The work was performed according to Stantec's proposal and terms and conditions dated October 25, 2016 and accepted by the Client on October 25, 2016. The Property location was identified by means of review of the User-provided figure presented in Figures and Appendix A herein as well as review of Summit County Tax Assessor Office public records.

Figures 1 and 2 provide generalized site and surrounding vicinity topographic and aerial image maps, excerpted directly from the environmental records search report. Following Figure 2 are enlarged excerpts of the United States Geological Survey (USGS) 1955 Park City West Quadrangle topographic map and 1912 USGS Professional Paper 77 (Geology and Ore Deposits of the Park City District, 1912) with the generalized Property location identified. Many of the nearby up-gradient, off-site mine sites referenced in this report are noted by name on the USGS figures.

The Phase I ESA was conducted in conformance with the requirements of the United States Environmental Protection Agency's (US EPA) All Appropriate Inquiry Rule, 40 C.F.R., Part 312 and ASTM International (ASTM-American Society for Testing and Materials) Designation E 1527-13, except as may have been modified by the scope of work, and terms and conditions, requested by the Client. Any exceptions to, or deletions from, the US EPA Rule or ASTM practice are described in Section 2.3. The Phase I ESA for the Property was performed by Mr. John Russell of Stantec, with the Site Visit and surrounding area reconnaissance being conducted on October 28, 2016. Any exceptions to, or deletions from, this practice are described in the Data Gaps section of this report.

During Stantec's Area Reconnaissance and Site Visit, Mr. Russell gained access to the Property by means of traversing/hiking the Property, investigating for visible signs of potential environmental concern including existing and/or apparent historical, land disturbance. General vicinity, off-site land use is mixed, including private residential and condominium-type land usage. Two asphalt-paved roads skirt the southeastern portions of the Property (Lowell Avenue and Northstar Road, noted on the User-Provided map in Appendix A).

The Property is located within T2S, R4E, Section 16 NW. Copies of pertinent tax record information, excerpted during October 2016 by Stantec directly from the Summit County Tax Assessor Office's public website are presented herein in Appendix A. The Client is considering purchasing the Property from the current Property owner, Nastar, LLC. Stantec's analysis of most recent Summit County tax records indicates that the Property was transferred to Nastar by several private parties during November 2011.



November 4, 2016 SUMMARY

As may be noted by review of the County tax records presented in Appendix A herein, the records indicate that the Property is comprised of Parcel SA-321 (approximately 19.79-acres) and two smaller sub-set parcels located in the interior of Parcel SA-321, namely Parcel 318 (0.47-acres). The User-provided figure in Appendix A indicates the Property being considered for purchase is comprised of approximately 18.51-acres of land. This ESA investigated the entire footprint of tax Parcel SA-321.

All information generated during this ESA indicates that the Property has never been developed, to any significant degree – excluding the grass-covered King's Crown Ski Run portion of the Property, which is noted on the User-provided Property map and is part of the Park City Mountain Resort that was constructed in 1963 (previously known as Treasure Mountain Resort, Park City Resort, and Alpine Meadows). The ski resort and off-site portions of this specific ski run are owned and operated currently by VR CPC Holdings, Inc. of Broomfield, Colorado (a Vail Resorts Management Company).

In summary, it must be noted that this ESA did not investigate information related to subsurface mine workings, as such investigation is beyond the scope of ASTM Standard E 1527-13. For example, the physical extent/orientation (lateral and/or vertical) of subsurface workings associated with historical mining activities, that might extend beneath and/or near the Property, are not addressed in this report. Any such subsurface concerns could be addressed, in part, by other means, including site-specific, geotechnical engineering or similar subsurface investigations for instance.

#### 1.2 GENERAL HISTORICAL MINING BACKGROUND

In light of the documented historical use of land for precious metal mining throughout the Park City area since the late-1860s (Uintah Mining District established in November 1869; ores: silver, lead, zinc, gold, etc.), Stantec analyzed historical maps, aerial photographs, and published reports of past mining activities in Park City. Stantec investigated on-site and nearby, off-site areas (topographically and hydraulically up-gradient, for example) that could possibly pose potential environmental concern to the Property. It is well documented that some waste rock piles, soils, sediments, streams, and portal discharge surface water associated with historicallymined areas located in Park City and Summit County have been impacted detrimentally by elevated concentrations of heavy metals, including arsenic, lead, and zinc for example.

Stantec reviewed historical USGS topographic maps and aerial photographs on the Nationwide Environmental Title Research, LLC (NETR) *HistoricAerials.com* public website, investigating reported and apparent land use in the vicinity of the Property and nearby areas. Copies of such materials are not presented in this ESA Report because they are copyrighted materials. Historical topographic maps were dated 1925, 1928, 1943, 1957, 1962, 1972, 1979, 1984, 1988, and 2001. NETR aerial images were dated 1953, 1962, 1967, 1978, 1993, 1997, 2004, 2006, 2009, and 2011. Stantec also reviewed several *Google Earth*<sup>™</sup> aerial images dating back to August 1993. Stantec's review of such published materials did not indicate any obvious/apparent onsite/above-ground structures, buildings, or mining-related prospects or mines on the Property nor apparent features that might pose potential environmental risk to the Property.



<sup>1.2</sup> Appendix E {Environmental Survey}

November 4, 2016 SUMMARY

Stantec's October 30, 2016 review of United States Bureau of Land Management (BLM) Land Records Status and General Land Office records indicates that there were several different historical, patented mining claims identified within T2S, R4E, Section 16. However, many such records do not indicate specific locations of respective claims within Section 16. Patent owners included numerous private individuals, as well as the Creole Mining Company (1904), the Anaconda Mining Company (1905), the Portland Park Mining Company (1908), the Unitah Treasure Hill Coalition (1911), and the Silver King Coalition Mines Company (1933). Stantec's October 29, 2016 review of BLM Land Record 2000 (LR2000) records associated with unpatented mining claims indicated no "Active" or "Closed" leases.

Stantec's review of BLM General Land Office records indicates that a United States Surveyor General Office's May 1892 survey plat identifies patented mining claims (*Kentucky No. 8* and *Samuel*) located within T2S, R4E, Section 16 S1/2 of NW (i.e., southern portions of the **Property**). BLM records indicate that the patented Kentucky claim group was owned by Mr. William Dodge and others in 1893 (Section 16 SE NW). The records also indicate that Mr. Henry Newall owned the patented Newall mining claim group in 1894 (Section 16 N1/2 NW). The survey plat also identifies the off-site McHenry Mill site located in the vicinity of the Creole Tunnel within Section 16 NE SE.

In August 1882, the United States of America (USA) deeded 160-acres (comprising T2S, R4E, Section 16 W1/2 of NE and E1/2 of NW; i.e., northern portions of the **Property**) to Mr. George G. Snyder, via the May 1962 Homestead Act. No other information is presented regarding Mr. Snyder's lands within the BLM website records reviewed by Stantec. Copies of the BLM records pertaining to the Snyder lands and patented mining claims on the Property are presented in Appendix B herein.

The following information is shared, solely in light of its interesting historical background as regards Mr. Synder's involvement with the founding of Park City, Utah, as identified by Stantec's review of Internet-published sources of historical information:

Reportedly in May 1872, George G. Snyder, the reported founding-father of the present-day city of Park City, christened the area..."...Park City, for it is a veritable park." George was the younger brother of Samuel Snyder for which the Pony Express and stage-stop of Snyder's Station and then Snyderville a few miles north of Park City were named. It is quite possible that the above-referenced, patented mining claim *Samuel* might have been named for George's brother, since the claim was located on a portion of the 160-acres deeded by the USA to George Snyder in 1882.

Reportedly, George Snyder constructed the first house in Park City, located at the intersection of Heber and Park Avenues (former Eley Motor Company and Kimball Arts Center location). He built the first livery stable, the first large-scale sawmill, and associated outbuildings to support the growing mining industry – as the town was comprised solely of male miners in the early 1870s. Initially, his wives were the only females in town, and his first son and first daughter were reportedly the first children born in Park City. He also sponsored the first school in town in 1875.



November 4, 2016 SUMMARY

> Park City was incorporated in 1884, while George Snyder became a well-known land and mill owner and a Summit County judge and was buried [with his third wife, a son, and two daughters (had six wives and 34 children, documented polygamist)] in 1887 within the Park City Cemetery – lands that Mr. Snyder donated to the town in 1879.

#### 1.3 POTENTIAL RECOGNIZED ENVIRONMENTAL CONDITIONS (RECS)

Stantec's analysis of historical and site-specific, published information did not identify potential environmental concerns on the land surface of the Property. This ESA did not identify any documented accounts or visual indications that the Property had been mined – nor prospected to any significant degree. Stantec's Site Visit did not indicate any obvious visual signs of past prospecting or mining (i.e., no obvious signs of disturbed land surface or waste rock piles, etc.). In summary, Stantec did not identify any on-site potential RECs.

Stantec's review of historical information indicates that the closest reported and/or apparent **off-site**, mining-related areas, in relation to the Property, were the historical Minola Tunnel located approximately 400 to 500 feet west of the Property; the Three Kings Mine located approximately 0.5-mile due west of the Property; the Creole Mine and Creole Tunnel located approximately 0.25-mile south/southeast of the Property; and the Silver King Mine Aerial Tram (approximately 0.45-mile southeast of the Property, which conveyed ore during 1900 to 1952 from the Silver King Mine (approximately 1.35-miles south of the Property) to the town northeast of the Creole Tunnel. Aside from use of the aerial tram associated with the Silver King Mine, all such off-site areas were disturbed, prospected, and/or mined during the late-1800s to early-1900s, predominantly. Each of these off-site areas is noted on one or both of the two USGS figures presented in the Figures section of this report.

This ESA did not identify historical information pertinent to the Three Kings Mine, including exhaustive review of multiple, published sources of information referenced in this report and a general internet search. The Three Kings Mine is identified on the USGS 1957 topographic map but not on the preceding 1943, 1928, or 1925 topographic maps. The apparent Three Kings Mine waste rock pile is visible on the 1953 NETR aerial photograph, the oldest aerial image reviewed by Stantec as part of this ESA. The Three Kings Mine is identified as being located within T2S, R4E, Section 17; however, Stantec's review of historical BLM records did not identify any information referencing 'Three Kings Mine' or similar information.

Stantec identified an example of a generic Three Kings Consolidated Mining Company stock certificate located on the *miningutah.com* public website. The certificate references 500 shares purchased by Mr. D.C. Maturin in September 1925. The only other information related to the Three Kings Mine identified during this ESA was an excerpted paragraph (on the *scribd.com* public website, reported by a Mr. Russell Hartill in 1917) that mentions that as of 1917 the Three Kings Consolidated Mining Company was working at the Three Kings Mine site, which was comprised of 154-acres of land surrounded predominantly by lands owned by the Silver King Coalition and Silver King Consolidated Companies.

The only information identified during this ESA regarding the Minola Tunnel indicates that this feature was located approximately 400 to 500 feet west of the western Property perimeter. This area is located on the same topographic expression (hill/slope) as the Property.



November 4, 2016 SUMMARY

Reportedly, the tunnel was constructed at an approximate elevation of 7,150 feet above mean sea level, along the eastern slope of Negro Hollow. Prior to 1902, the Minola Tunnel was part of an approximate 175-acre tract, with the tunnel reported as having been extended approximately 300 feet toward the southeast and a 500 feet deep winze that was being extended at the time from the tunnel face, as well two separate lateral drifts.

None of these off-site areas is anticipated to pose a potential risk for direct storm water runoff or air-dispersed impacts to the Property. However, it is possible that localized ground water quality might have been impacted in one or more of these off-site areas, which could in turn pose a potential off-site REC to localized ground water quality beneath the Property.

Stantec's review of historical information indicates that wet concentrator mills were constructed throughout the Park City mining area during the late-1880s and 1890s, including numerous areas located up-gradient of the Property (practically all mines located within Woodside Gulch, Walker and Webster Gulch, and Empire Canyon). Concentrator mills utilized wet technologies for amalgamation and initial matte and ore processing (example stages included: crushing, roasting, wetting, acidification, quicksilver/mercury baths, steaming, Russell lixiviation processing, etc.). In turn, large volumes of materials, potentially laden with heavy metals, were managed and stockpiled on these off-site properties (i.e., processed mattes, fines, tailings, waste rock, as well as treatment chemicals and materials, etc.).

Some materials were exposed to the natural elements for decades following initial mine development, including numerous waste rock and/or tailing piles that remain currently. It is possible that natural leaching of heavy metal constituents could have occurred at any or all of these off-site, mine site areas, posing the potential for detrimental impacts to localized ground water quality beneath and down-gradient of these off-site areas.

For example, the USGS Professional Paper 77 (see references herein) reports that there was a significant release of mercury to the ground surface at the Ontario Mine in 1904, during the remodel of the original 1877 concentrator mill to an updated, wet-processing mill. The old tanks containing mercury had leaked, possibly for several years to over two decades, without anyone realizing the release until replacement of the old tanks during the remodel. Likewise, *although this ESA did not identify any definitive information in this regard* - other historical operations at upgradient mine sites could also have resulted in similar releases of materials to the natural environment, including for example: petroleum fuels used over the decades for fueling transport vehicles and equipment; fuel oil for heating buildings and possibly retorts/furnaces; new and used oil products associated with mining and transport equipment and railroad track operation and maintenance; etc.

Stantec's analysis of localized topography, including surface water and ephemeral drain-ways, in the vicinity of the Property and within an approximate lateral distance of 2.5-miles up-gradient of the Property suggests that regional ground water most probably flows generally from the south/southwest toward the north/northeast near and beneath the Property. In the event that ground water quality has been impacted detrimentally at off-site areas located in hydraulically up-gradient directions in relation to the Property, it is possible that ground water quality beneath the Property might also be impacted, historically, currently, or in the future. Such up-gradient, off-site areas of potential ground water impact could include, for example: historical mining-related areas, including precious metal mines, ore processing and/or beneficiation processes, stamp and/or concentrator mills, and waste rock/tailing areas associated with the Silver King,



Project No.: 203706003/05-Reports/ESAReport

November 4, 2016 SUMMARY

Silver King Consolidated, Walker & Webster, Daly-Judge Tunnel, Alliance, Massachusetts, Kearns-Keith, Daly-Judge, Daly-West, and Anchor Mine site areas.

This ESA did not identify any quantified information indicating that ground water beneath the Property had been impacted detrimentally. However, in light of the historical mining-related activities in presumed, up-gradient directions in relation to the Property, it is possible that localized ground water quality beneath portions of the Property may in the past, currently, and/or in the future, be impacted detrimentally by up-gradient sources of heavy metals, such as lead, arsenic, and zinc for instance – and as such, off-site, up-gradient ground water migration toward the Property must be considered a regional, potential off-site REC as defined by the ASTM Standard 1527-13.

Stantec's October 31,2016 review of Utah Division of Water Rights ground water production well database indicates there are no water wells located within an approximate mile of the Property. There are several reported heat-exchange wells within one-mile of the Property; however, there is no pertinent information regarding depth to uppermost ground water on any of the drilling logs. Negro Hollow is the closest ephemeral drain-way in relation to the Property, located approximately 1,200 feet west of the Property. The depth to uppermost ground water beneath the Property was not identified during this ESA; however, it is anticipated that it is most probably at least 100 to 200 feet below natural grade.

Lastly, there is the possibility for historical air-dispersion of heavy metal-laden dust and particulate matter from the stacks of any of the off-site mills to the land surface/topsoil in relatively close proximity to the individual mill sites, possibly including the Property. However, considering the predominantly west (southwest and northwest) to east wind patterns that characterize the Park City and vicinity area (historically and currently), as well as the lateral distances to reported, historical mills, it is anticipated that any such air-dispersion from off-site, historical mill sites would be expected to be minimal at the Property. Moreover, the fact that such historical air dispersion would have occurred several decades ago, it is anticipated that localized, biological degradation and leaching of any such heavy metal constituents within Property topsoil would have resulted in the natural decrease in metal concentrations in local topsoil – and as such, this potential off-site source of environmental concern is not considered a REC to the Property.



November 4, 2016 INTRODUCTION

## 2.0 INTRODUCTION

The objective of this Phase I ESA was to perform appropriate inquiry into the past ownership and uses of the Property consistent with good commercial or customary practice as outlined by the ASTM in "Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process", Designation E1527-13 and 40 C.F.R., Part 312. The purpose of this Phase I ESA was to identify, to the extent feasible, adverse environmental conditions including recognized environmental conditions ("RECs") of the Property.

The ASTM E1527-13 standard indicates that the purpose of the Phase I ESA is to identify RECs, including historical recognized environmental conditions ("HRECs"), and controlled recognized environmental conditions ("CRECs") that may exist at a property. The term "recognized environmental conditions" means the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property:

- 1) Due to any release to the environment;
- 2) Under conditions indicative of a release to the environment; or
- 3) Under conditions that pose a material threat of a future release to the environment.

ASTM defines a "HREC" as a REC that has occurred in connection with the property, but has been addressed to the satisfaction of the applicable regulatory authority and meets unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls (for example, property use restrictions, activity and use limitations, institutional controls, or engineering controls). Before calling the past release a HREC, the environmental professional must determine whether the past release is a REC when the current Phase I ESA is conducted (for example, if there has been a change in the regulations). If the environmental professional considers the past release to be a REC at the time the Phase I ESA is conducted, the condition shall be included in the conclusions section of the report as a REC.

ASTM defines a "CREC" as a REC resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority (for example, as evidenced by the issuance of a no further action letter or equivalent, or meeting risk-based criteria established by regulatory authority), but with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls (for example, property use restrictions, activity and use limitations, institutional controls, or engineering controls).

De minimis conditions are not RECs. The term includes hazardous substances or petroleum products even under conditions in compliance with laws. As indicated, the term REC does not include de minimis conditions, which generally do not present a material risk to human health and would not likely be subject to enforcement action if brought to the attention of governmental agencies.



November 4, 2016 INTRODUCTION

This ESA was conducted according to Stantec's proposal and terms and conditions dated October 25, 2016 and accepted by the Client on October 26, 2016. The Client and its legal counsel (the "User") have been designated as the User of this report. The scope of work conducted during this Phase I ESA consisted of a visual reconnaissance of the Property, interviews with key individuals, and review of reasonably ascertainable documents. The scope of work did <u>not</u> include an assessment for environmental regulatory compliance of any facility ever operated at the Property (past or present), or sampling and analyzing of environmental media. Stantec was not contracted to perform any independent evaluation of the purchase or lease price of the Property and its relationship to current fair market value. The conclusions presented in this ESA Report are professional opinions based on data described herein. The opinions are subject to the limitations described in Section 2.3.

ASTM E1527-13 notes that the availability of record information varies from source to source. The User or Environmental Professional is not obligated to identify, obtain, or review every possible source that might exist with respect to a Property. Instead, ASTM identifies record information that is reasonably ascertainable from standard sources. "Reasonably ascertainable" means:

(1) Information that is publicly available;

(2) Information that is obtainable from its source within reasonable time and cost constraints; and

(3) Information that is practicably reviewable.

#### 2.1 **PROPERTY DESCRIPTION**

The Property consists of approximately 18.51-acres of vacant, predominantly-undeveloped land located in Park City, Summit County, Utah. Aside from the cleared, grass-covered King's Crown ski run located within southwestern portions of the Property, most of the land is covered by grasses, small shrubs, sage bushes, and gamble oak trees.

As Site Visit photographs in Appendix B indicate, the only man-made structure identified by Stantec during the Site Visit was a wooden log/stick-constructed lean-to that appears to have been constructed for temporary, recreational-type use by teenagers. No one was observed on the Property, except for a few pedestrians who were hiking along a couple of small hiking-type trails that crisscross the Property, as may be noted by review of photographs in Appendix B.

#### 2.2 SPECIAL TERMS, CONDITIONS, AND SIGNIFICANT ASSUMPTIONS

It is assumed that the purpose of this Phase I ESA is to qualify the User, in part, for landowner protection to CERCLA liability and to facilitate possible future purchase, sale, and/or transfer of the Property. The possible contaminants of concern considered in this assessment include those hazardous compounds listed under CERCLA and petroleum products.



November 4, 2016 INTRODUCTION

#### 2.3 EXCEPTIONS AND LIMITING CONDITIONS

This report documents work that was performed in accordance with generally accepted professional standards at the time and location in which the services were provided and given the schedule and budget constraints established by the client. No other representations, warranties, or guarantees are made concerning the accuracy or completeness of the data or conclusions contained within this report, including no assurance that this work has uncovered all potential and actual liabilities and conditions associated with the identified Property.

This report provides an evaluation of selected environmental conditions associated with the identified portion of the Property that was assessed at the time the work was conducted and is based on information obtained by and/or provided to Stantec at that time. There are no assurances regarding the accuracy and completeness of information provided by the Client or third parties. All information received from the client or third parties in the preparation of this report has been assumed by Stantec to be correct. Stantec assumes no responsibility for any deficiency or inaccuracy in information received from others.

If a service is not expressly indicated, do not assume it has been provided. If a matter is not addressed, do not assume that any determination has been made by Stantec in regards to it.

Conclusions made within this report consist of Stantec's professional opinion as of the time of the writing of this report, and are based solely on the scope of work described in the report, the limited data available and the results of the work. They are not a certification of the Property's environmental condition.

The client did not provide or contract Stantec to provide recorded title records or search results for environmental liens or activity and use limitations encumbering the Property or in connection with the Property. Stantec did not obtain historical records that document the Property history in 5-year intervals and this resulted in data gaps. These data failures represent data gaps; however, these data gaps are not considered significant, considering the undeveloped nature of the Property. Based on the information obtained during the course of this ESA and general knowledge of development at and near the Property, the absence of this information did not affect the ability of the Environmental Professionals to identify RECs, HRECs, CRECs, or de minimis conditions.

This report relates solely to the specific project for which Stantec was retained and the stated purpose for which this report was prepared and shall not be used or relied upon by the client identified herein for any variation or extension of this project, any other project or any other purpose.

This report has been prepared for the exclusive use of the Client identified herein and any use of or reliance on this report by any third party is prohibited, except as may be consented to in writing by Stantec or as required by law. The provision of any such consent is at Stantec's sole and unfettered discretion and will only be authorized pursuant to the conditions of Stantec's



Project No.: 203706003/05-Reports/ESAReport

November 4, 2016 INTRODUCTION

standard form reliance letter. Stantec assumes no responsibility for losses, damages, liabilities or claims, howsoever arising, from third party use of this report.

Project-specific limiting conditions are provided in Section 2.2.

The locations of any utilities, buildings and structures, and Property boundaries illustrated in or described within this report, if any, including pole lines, conduits, water mains, sewers and other surface or sub-surface utilities and structures are not guaranteed. Before starting work, the exact location of all such utilities and structures must be confirmed by the Client and Stantec assumes no liability resulting from damage to such utilities and structures.

The conclusions are based on the site conditions encountered by Stantec at the time of the work. Accordingly, additional studies and actions may be required. As the purpose of this report is to identify selected site conditions which may pose an environmental risk; the identification of non-environmental risks to structures or people on the site is beyond the scope of this assessment. The findings, observations, and conclusions expressed by Stantec in this report are not an opinion concerning the compliance of any past or present owner or operator of the site which is the subject of this report with any Federal, state, provincial or local law or regulation.

This report presents professional opinions and findings of a scientific and technical nature. It does not and shall not be construed to offer a legal opinion or representations as to the requirements of, nor compliance with, environmental laws, rules, regulations or policies of Federal, state, provincial or local governmental agencies. Issues raised by the report should be reviewed by client legal counsel.

Stantec specifically disclaims any responsibility to update the conclusions in this report if new or different information later becomes available or if the conditions or activities on the Property subsequently change.

#### 2.4 PERSONNEL QUALIFICATIONS

This Phase I ESA was conducted by an individual that meets the ASTM definition of an Environmental Professional (EP). Stantec's Mr. John Russell has approximately 31 years of environmental consulting and ASTM-formatted, due diligence experience, including decades of work related to CERCLA- and RCRA-regulated sites and associated environmental issues. Mr. Russell has conducted numerous ESAs in Summit County during the past two decades. The credentials of the EP of this Phase I ESA are provided in Appendix E.



November 4, 2016 USER-PROVIDED INFORMATION

### 3.0 USER-PROVIDED INFORMATION

ASTM E1527-13 describes responsibilities of the User to complete certain tasks in connection with the performance of "All Appropriate Inquiries" (AAI) into the Property. The ASTM standard requires that the Environmental Professional request information from the User on the results of those tasks because that information can assist in the identification of RECs, CRECs, HRECs, or de minimis conditions in connection with the Property. Towards that end, Stantec requested that the User (represented by Mr. Rory Murphy) provide the following information:

Description of Information	Provided (Yes / No)	Description and/or Key Findings
User Questionnaire	Yes	Details related to submittal of the User Questionnaire, as well as the User's responses, are presented below.
Environmental Liens or Activity Use Limitations	Yes	The User is unaware of any environmental liens or Activity Use Limitations (AULs).
Purpose of the Phase I ESA	Yes	User may purchase the Property.

Stantec submitted the below list of questions to Mr. Rory Murphy ('User' representative for this ESA), regarding knowledge and familiarity with historical issues associated with the Property. Mr. Murphy's **responses** follow herein:

#### USER QUESTIONNAIRE

In order to qualify for one of the Landowner Liability Protections (LLPs) offered by the Small Business Liability Relief and Brownfields Revitalization Act of 2001 (the "Brownfields Amendments"), the User must provide the following information (if available) to the environmental professional. Failure to provide this information could result in a determination that "all appropriate inquiry" is not complete.

(1.) Environmental cleanup liens that are filed or recorded against the site (40 CFR 312.25).

Are you aware of any environmental cleanup liens against the property that are filed or recorded under federal, tribal, state or local law? **No.** 

(2.) Activity and land use limitations that are in place on the site or that have been filed or recorded in a registry (40 CFR 312.26). **No.** 

Are you aware of any AULs, such as engineering controls, land use restrictions or institutional controls that are in place at the site and/or have been filed or recorded in a registry under federal, tribal, state or local law? **No.** 



November 4, 2016 USER-PROVIDED INFORMATION

(3.) Specialized knowledge or experience of the person seeking to qualify for the LLP (40 CFR 312.28).

As the user of this ESA do you have any specialized knowledge or experience related to the property or nearby properties? For example, are you involved in the same line of business as the current or former occupants of the property or an adjoining property so that you would have specialized knowledge of the chemicals and processes used by this type of business? **No.** 

(4.) Relationship of the purchase price to the fair market value of the property if it were not contaminated (40 CFR 312.29).

Does the purchase price being paid for this property reasonably reflect the fair market value of the property? If you conclude that there is a difference, have you considered whether the lower purchase price is because contamination is known or believed to be present at the property? **Yes, fair market value.** 

(5.) Commonly known or reasonably ascertainable information about the property (40 CFR 312.30).

Are you aware of commonly known or reasonably ascertainable information about the property that would help the environmental professional identify conditions indicative of releases or threatened releases? For example, as user, (a.) Do you know the past uses of the property? Need to record past ownership history and use (actual names of prior land owners, dating back to at least 1940). No.

(b.) Do you know of specific chemicals that are present or once were present at the property? **No.** 

(c.) Do you know of spills or other chemical releases that have taken place at the property? No.

(d.) Do you know of any environmental cleanups that have taken place at the property? No.

(6.) The degree of obviousness of the presence of likely presence of contamination at the property, and the ability to detect the contamination by appropriate investigation (40 CFR 312.31).

As the user of this ESA, based on your knowledge and experience related to the property are there any obvious indicators that point to the presence or likely presence of contamination at the property? **No.** 



November 4, 2016 RECORDS REVIEW

## 4.0 **RECORDS REVIEW**

The objective of consulting historical sources of information is to develop the history of the Property and surrounding area, in order to evaluate if past uses may have resulted in RECs. Physical setting records are evaluated to determine if the physical setting may have contributed to adverse environmental conditions in connection with the Property. During the review of historical records, Stantec attempted to identify uses of the Property from the present to the Property's first developed use. Stantec's research included the reasonably ascertainable and useful records described in this section.

#### 4.1 PHYSICAL SETTING

Topography:	Property located within Section 16, T2S, R4E;	
	comprised of relatively-steep topographic	
	elevations approximating 7,400 to 7,000 feet above	
	mean sea level. Grades slope generally from	
	upland areas toward lowland areas – regionally	
	from the south toward the north, with localized	
	northwesterly and northeasterly slopes.	
Soil/Bedrock Data:	The site expected to be underlain by	
	unconsolidated topsoil comprised of poorly-sorted	
	clay, silt, sand, and gravel loams. Underlying	
	bedrock reported to be comprised of the Permian-	
	aged Park City Formation (cherty limestone).	
	Bedrock reported on USGS Park City West	
	quadrangle Geologic Map to be dipping at 20 to	
	30-degree angles toward the northwest beneath	
	the Property. Bedrock expected to be very shallow	
	below grade.	
Estimated Depth to Ground Water/	Uppermost ground water anticipated to be greater	
Estimated Direction of Gradient:	than 100 to 200 feet below grade. Localized flow: in	
	general, from uplands toward lowlands – regionally	
	from the south toward the north/northeast.	
Note: Site-specific ground water direction	and depth can only be determined by conducting	
site-specific testing, which Stantec has not conducted.		

A summary of the physical setting of the Property is provided in the table below with additional details in the following subsections:

### 4.1.1 Property Topography and Surface Water Flow

The topographic surface of the Property is relatively-steep toward the north, with localized slopes toward the northwest and the northeast, such that overland, storm water runoff will vary depending on specific location. Regional drainages grade in general from the south toward the north/northeast.



November 4, 2016 RECORDS REVIEW

#### 4.1.2 Regional and Property Geology

The Property and surrounding areas are located within the Wasatch Mountains, the western edge of the Rocky Mountain Physiographic Province. The Property is located within a mountainous area adjacent to (west of) downtown Park City. The Property appears to be underlain by unconsolidated topsoil/near-surface soil characterized predominantly by poorly-sorted, mixes of clay, silt, sand, gravel, and cobbles. Underlying bedrock is characterized reportedly by the Park City Formation (cherty limestone). Off-site lands located north and northeast of the Property, comprising much of downtown Park City, are underlain by Quaternary-aged, alluvial deposits, as reported on the USGS Park City West Geologic Map.

#### 4.1.3 Regional and Property Hydrogeology

Stantec did not observe any surface water on or near the Property during the Site Visit. All ephemeral drainages were completely dry. There were no significant ephemeral drainages on the Property, typically characterized by a couple to a few feet deep, localized incisions atop the ground surface.

In general, the shallow water table is often a subdued expression of surface topography. Shallow ground water generally flows from areas of ground water recharge, such as hills and broad uplands, to areas of ground water discharge, such as wetlands, creeks, streams, rivers, and lakes. Regional ground water flow is expected to be generally toward the north in the vicinity of the Property, with ultimate drainage in the general direction of McLeod Creek and Silver Creek and associated tributaries.

The environmental records review report in Appendix D herein notes that there were no water wells located on the Property. Stantec's review of published water well data reported on the Utah Division of Water Rights' Public Well Log website indicated no ground water production wells on Property lands. The closest, off-site ground water production (potable water) wells were reported as being located at least one-mile north (down-gradient) of the Property.

#### 4.2 FEDERAL, STATE AND TRIBAL ENVIRONMENTAL RECORDS

A regulatory agency database search report was obtained from Environmental Records Search, Inc. (ERS), a third-party environmental database search firm. A complete copy of the database search report, including definition of databases searched, is provided in Appendix D. The databases covered in the report include the most current databases listed or referenced in Section 8 of ASTM E1527-13.

#### 4.2.1 Listings for Property

The Property was not identified in the environmental database report – except for listing as located in a broad regional area (Rocky Mountains) that has the potential to be underlain by natural formations that might contain natural asbestos. Asbestos is most commonly found in



November 4, 2016 RECORDS REVIEW

three rock types: serpentinites, altered ultramafic rocks, and some mafic rocks. Other rock types known to host asbestos include metamorphosed dolostones, metamorphosed iron formations, carbonatites, and alkalic intrusions. In summary, only site-specific boring investigation into bedrock beneath the Property is anticipated to provide quantitative information in this regard.

#### 4.2.2 Listings for Nearby Sites with Potential to Impact Property

Stantec's review of the reported locations and operations of off-site properties identified in the environmental database report did not identify any off-site areas that might pose potential environmental risk to the Property – except for the possibility that historical mining-related activities in presumed up-gradient/nearby locations (such as Creole Tunnel, Silver King Consolidated Mine areas, etc. for example) might possibly pose a risk to ground water quality beneath the Property - as reported in preceding report section 1.0 Introduction.

The Marsac Mill, located in the general vicinity of the present-day City Administration building approximately 0.5-mile southeast of the Property, is referenced in the ERS report. The mill was constructed in 1874 as the first concentrator mill in Park City and appears to be the closest, historical mill in relation to the Property. The mill was renovated to accommodate the Russell lixiviation process (wet concentrator) during 1880-1882. Numerous other historical mills existed in most of the canyons located south of the Property and Park City. None of the historical mills operate today.

There is the *possibility* for historical air-dispersion of heavy metal-laden dust and particulate matter from the stacks of any of these off-site mills to the land surface/topsoil in relatively close proximity to the individual mill sites, possibly including the Property. However, considering the predominantly west (southwest and northwest) to east wind patterns that characterize the Park City and vicinity area (historically and currently), as well as the lateral distances to the Marsac Mill and other nearby historical mills, it is anticipated that any such air-dispersion from off-site, historical air dispersion would have occurred several decades ago, it is anticipated that localized, biological degradation and leaching of any such heavy metal constituents within Property topsoil would have resulted in the natural decrease in metal concern is not considered a REC to the Property.



November 4, 2016 RECORDS REVIEW

#### 4.3 HISTORICAL RECORDS REVIEW

#### 4.3.1 Land Title Records/Deeds

A formal title search is not an ASTM-prescribed task and was not conducted by Stantec. Such records were not searched by Stantec, as such investigative measures are beyond the scope of an ASTM ESA. No one interviewed as part of this ESA was aware of any such liens or Property land use restrictions, however.

In an effort to research land ownership dating to initial land development, Stantec reviewed Summit County, Utah Tax Recorder Office deed and land ownership information. Excerpted tax records are presented in Appendix A herein.

Stantec's ESA indicates that current and historical, Property land use is undeveloped, vacant land. There is the probability that small wooden, residential-type shacks might have been constructed on the Property sometime during the late-1870s to early 1900s; however, Stantec's review of USGS topographic maps dating to 1925 do not identify above-grade structures/buildings on the Property, and Stantec's review of historical aerial photographs dating to 1953 did not identify any such structures.

#### 4.3.2 Historical Aerial Photographs and Topographic Maps

The general type of activity on a property and land use changes can often be discerned from the type and layout of structures and land disturbances visible in photographs. However, specific elements of a facility's operation usually cannot be discerned from aerial photographs alone.

Stantec reviewed historical USGS topographic maps and aerial photographs on the Nationwide Environmental Title Research, LLC (NETR) HistoricAerials.com public website, investigating reported and apparent land use in the vicinity of the Property and nearby areas. Copies of such materials are not presented in this ESA Report because they are copyrighted materials. Historical topographic maps were dated 1925, 1928, 1943, 1957, 1962, 1972, 1979, 1984, 1988, and 2001. NETR aerial images were dated 1953 1962, 1967, 1978, 1993, 1997, 2004, 2006, 2009, and 2011. Stantec also reviewed several *Google Earth*<sup>™</sup> aerial images dating betwenn June 2015 and August 1993. Stantec's review of such published materials did not indicate any obvious/apparent on-site/above-ground structures, buildings, or mining-related prospects or mines on the Property nor apparent features that might pose potential environmental risk to the Property.

#### 4.3.3 Other Historical Sources

On October 30, 2016, Stantec reviewed UDEQ-published, CERCLA and RCRA site information, investigating possible, published information pertinent to UDEQ regulatory involvement with the Property and nearby, surrounding, off-site lands. Stantec reviewed local water well drilling logs



November 4, 2016 RECORDS REVIEW

published by the Utah Division of Water Rights. In summary, Stantec did not identify any information indicating potential on-site or off-site RECs during review of such Internet-published information.



November 4, 2016 SITE RECONNAISSANCE

## 5.0 SITE RECONNAISSANCE

A visit to the Property and a surrounding Area Reconnaissance was conducted by Mr. John Russell of Stantec on October 28, 2016. Stantec hiked across the Property, along generalized 100-yard, grid-patterned, east-west traverses. Following the east-west transects, Stantec then walked along the earthen hiking trails that crisscross the Property. Photographs collected during the Site Visit are included in Appendix B.

#### 5.1 SITE RECONNAISSANCE METHODOLOGY

The Property reconnaissance focused on observation of current conditions and observable indications of past uses and conditions that may indicate the presence of a REC. Stantec utilized the following methodology to observe the Property:

- Traversed the outer Property boundaries.
- Traversed transects across the Property.

Weather conditions during the visit to the Property and vicinity were clear and sunny. There were no weather-related property access restrictions encountered during the visit.

#### 5.2 GENERAL DESCRIPTION

Property and Area Description:	Aside from localized, earthen hiking trails and the grass-covered/cleared King's Crown ski run to the west/southwest, the Property was vacant and undeveloped land, with a small temporary, recreational lean-to structure (sticks and logs). There were several rusted, metal pipes, presumably associated with snow-making/water-conveyance, located along the eastern side of the on-site portion of the ski run – as photo- documented in Appendix B. Current surrounding land use is comprised predominantly of similar, undeveloped lands, including the ski resort area, toward the south and west; residential to the east along the asphalt-paved Northstar and Lowell Avenue roadways; and the Marriot Mountainside Hotel located to the north/northwest.
Property Operations.	The Property was vacant and undeveloped land.
Structures, Roads, Other Improvements:	There were no improvements, structures, or paved roads on the Property.
Property Size (acres):	approximately 18.51-acres

November 4, 2016 SITE RECONNAISSANCE

Estimated % of Property Covered by Buildings and/or Pavement:	Zero (0%).
Observed Current Property Use/Operations:	The Property was vacant and undeveloped, aside from the localized hiking trails and ski run.
Observed Evidence of Past Property Use(s):	The Property was vacant and undeveloped, aside from the localized hiking trails and the ski run.
Sewage Disposal Method (and age):	None observed or reported.
Potable Water Source:	None observed or reported.
Electric Utility:	None observed or reported.

#### 5.3 HAZARDOUS SUBSTANCES AND PETROLEUM PRODUCTS

The following table summarizes Stantec's observations during the Property reconnaissance.

Observations	Description/Location
Hazardous Substances and Petroleum Products as Defined by CERCLA 42 U.S.C. § 9601(14) and/or otherwise might contain hazardous and/or petroleum hydrocarbon-type constituents:	None observed or reported.
Drums (≥ 5 gallons):	None observed or reported.
Strong, Pungent, or Noxious Odors:	None observed or reported.
Pools of Liquid:	None observed or reported.
Unidentified Substance Containers:	None observed or reported.
PCB-Containing Equipment:	None observed or reported.

#### 5.4 INTERIOR OBSERVATIONS

The Property was vacant and undeveloped.



November 4, 2016 SITE RECONNAISSANCE

#### 5.5 EXTERIOR OBSERVATIONS

Stantec made the following observations during the site reconnaissance of the Property and/or identified the following information during the assessment:

Observations	Description
On-site Pits, Ponds, or Lagoons:	None observed.
Stained Soil or Pavement:	None observed.
Stressed Vegetation:	None observed.
Waste Streams and Waste Collection Areas:	None observed.
Solid Waste Disposal:	None observed.
Potential Areas of Fill Placement:	None observed.
Wastewater:	None observed.
Storm water:	None observed.
Wells:	None observed.
Septic Systems:	None observed.
Other Exterior Observations:	Nothing of significant note.

#### 5.5 UNDERGROUND STORAGE TANKS/STRUCTURES

Existing USTs:	No visible or reported evidence (fill pipes, vent pipes, dispensers, surface patches), which would indicate the presence of USTs, was discovered during the site reconnaissance.
Former USTs:	No visible or reported evidence (fill pipes, vent pipes, dispensers, surface patches), reports, or other evidence of the former presence of USTs were discovered during this Phase I ESA.

#### 5.6 ABOVEGROUND STORAGE TANKS

Existing ASTs:	No visible or reported evidence (fill pipes, vent pipes, dispensers, surface stains), reports, or other evidence of the former presence of ASTs was discovered during this Phase I ESA.
Former ASTs:	No visible or reported evidence (fill pipes, vent pipes, dispensers, surface stains), reports, or other evidence of the former presence of ASTs was discovered during this Phase I ESA.

November 4, 2016 SITE RECONNAISSANCE

#### 5.7 ADJOINING PROPERTIES

#### 5.7.1 Current Uses of Adjoining Properties

As viewed from the Property and/or from public rights-of-way, Stantec made the following observations about use and activities on other adjoining properties:

NORTH	Marriot Mountainside Hotel	
SOUTH	Vacant, undeveloped land.	
EAST	Residential along Northstar Road and Lowell Avenue.	
WEST	Ski resort area, predominantly undeveloped but for localized, grass-covered ski runs.	

#### 5.7.2 Observed Evidence of Past Uses of Adjoining Properties

Off-site lands to the north (Marriot), east (Northstar residences), and ski resort areas (west) appear to have been constructed sometime between 1963 to 1993. All other off-site, contiguous lands appear to have remained vacant and undeveloped.

#### 5.7.3 Pits, Ponds or Lagoons on Adjacent Properties

As viewed from the Property, Stantec did not observe any obvious signs of surface water on nearby, off-site lands.



November 4, 2016 INTERVIEWS

### 6.0 INTERVIEWS

Name	Relationship to Property	Key findings:
Mr. Rory Murphy	User, prospective purchaser	No known or reported environmental concerns as
October 25, 2016		regards the Property.

#### 6.1 FINDINGS FROM INTERVIEWS

Stantec's review of Summit County Tax Assessor Office website records indicates that recent land owners have been comprised of several different individuals and Trusts (reference Appendix A). Stantec did not interview any current or historical Property owners, in light of the relatively-quick turnaround for this ESA report and the anticipation that most of the reported, historical owners would simply state that the Property has remained vacant and undeveloped, a long as they could remember. Although Stantec did not interview a historical Property owner, and as such this is considered a Data-Gap, Stantec does not anticipate this lack of information influences Stantec's analysis of potential environmental risks posed to or by the Property. The lack of review of this information did not appear to affect the Environmental Professional's ability to identify RECs, HRECs, or *de minimis* conditions.

Mr. Murphy was unaware of any potential environmental issues or concerns associated with the Property. Mr. Murphy reported that the Property had been vacant and undeveloped, as long as he could remember.



November 4, 2016 EVALUATION

## 7.0 EVALUATION

This section provides a summary overview of or Findings, Opinions, and Conclusions.

#### 7.1 FINDINGS AND OPINIONS

Information gathered from interviews, reviews of existing data, and a property inspection were evaluated to determine if RECs are present in connection with the Property. Based on this information, Stantec made the following findings and developed the following opinions:

- Finding 1: Property-specific, environmental liens and activity and use limitations (AULs) encumbering the Property or in connection with the Property, were not reviewed as part of this Phase I ESA, as they are the responsibility of the User per ASTM ESA protocol. However, no such information was identified by Stantec when reviewing the most recent Summit County Tax Assessor Office's public website database specific to the Property tax parcel.
- Opinion 1: The lack of review of this information did not appear to affect the Environmental Professional's ability to identify RECs, HRECs, or *de minimis* conditions, however. The User claimed no knowledge of any such liens or land Activity and Use Limitations (AULs).
- Finding 2: This ESA identified numerous up-gradient, potential sources of heavy metal constituents to localized ground water quality. The Property is located in a presumed down-gradient direction (ground water flow) in relation to many such off-site areas.
- Opinion 2: It is possible that ground water quality beneath the Property could be impacted detrimentally currently, in the past, and/or in the future by heavy metal constituents associated with these off-site, potential RECs.

#### 7.2 DATA GAPS

The federal AAI rule [40 CFR 312.10(a)] and ASTM E1527-13 identify a "data gap" as the lack or inability to obtain information required by the standards and practices of the rule despite good faith efforts by the Environmental Professional or the User.



November 4, 2016 EVALUATION

Data gaps resulting from the Phase I ESA described in this report are listed and discussed below.

Gap	Discussion
Deletions or Exceptions From Scope of Work:	None.
Weather-Related Restrictions To Site Reconnaissance:	None.
Facility Access Restrictions to Site Reconnaissance:	None.
Other Site Reconnaissance Restrictions:	None.
Data Gaps From Environmental Records Review:	None.
Data Gaps From Historical Records Review:	None.
Data Gaps From Interviews:	Although Stantec did not interview a historical Property owner, and as such this is considered a Data-Gap, Stantec does not anticipate this lack of information influences Stantec's analysis of potential environmental risks posed to or by the Property. The lack of review of this information did not appear to affect the Environmental Professional's ability to identify RECs, HRECs, or <i>de minimis</i> conditions.
Other Data Gaps:	None.

#### 7.3 CONCLUSIONS

Stantec has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E1527-13 of the Property located in Park City, Utah [the "Property"]. Any exceptions to, or deletions from, this practice are described in preceding sections of this report.

Stantec's ESA did not identify potential environmental concerns on the land surface of the Property. This ESA did not identify any documented accounts or visual indications that the Property had been mined – nor prospected to any significant degree. Stantec's Site Visit did not indicate any obvious visual signs of past prospecting or mining (i.e., no obvious signs of disturbed land surface or waste rock piles, etc.). In summary, Stantec did not identify any on-site RECs.

This ESA did not identify any quantified information indicating that ground water beneath the Property had been impacted detrimentally. However, in light of the historical mining-related activities in presumed, up-gradient directions in relation to the Property, it is possible that localized ground water quality beneath portions of the Property may in the past, currently, and/or in the future, be impacted detrimentally by up-gradient sources of heavy metals, such as lead, arsenic, and zinc for instance – and as such, off-site, up-gradient ground water migration toward the Property must be considered a regional, potential off-site REC as defined by the ASTM Standard 1527-13.



Project No.: 203706003/05-Reports/ESAReport

November 4, 2016 NON-SCOPE CONSIDERATIONS

## 8.0 NON-SCOPE CONSIDERATIONS

The scope of work completed was limited solely to those items in the ASTM E1527-13 standard. No ASTM E1527-13 non-scope services were performed as part of this Phase I ESA.



November 4, 2016 REFERENCES

### 9.0 **REFERENCES**

American Society for Testing and Materials, Standard Practice for Environmental Site Assessments: Phase 1 Environmental Site Assessment Process, Designation: E 1527-13; November 2013.

Geni.com website.

Historicalaerials.com public website (owned by National Environmental Title Research, LLC); August 18, 2016.

Historytogo.utah.gov website.

Miningutah.com website.

Scribd.com website.

Summit County Utah Tax Assessor Office's public website; October 28-31, 2016.

US BLM website (General Land Office records, LR2000, mineral title tracts, mining claims, etc.).

USGS Professional Paper 77, Geology and Ore Deposits of Park City District, 1912.

USGS Park City West Quadrangle topographic map, 1955.

USGS Park City West Quadrangle geologic map, 1966.

Utah Department of Environmental Quality's (UDEQ) public website (Environmental Interactive Mapper and multiple UDEQ Divisions); October 28-31, 2016.

Utah Division of Water Rights' public website; October 28-31, 2016.

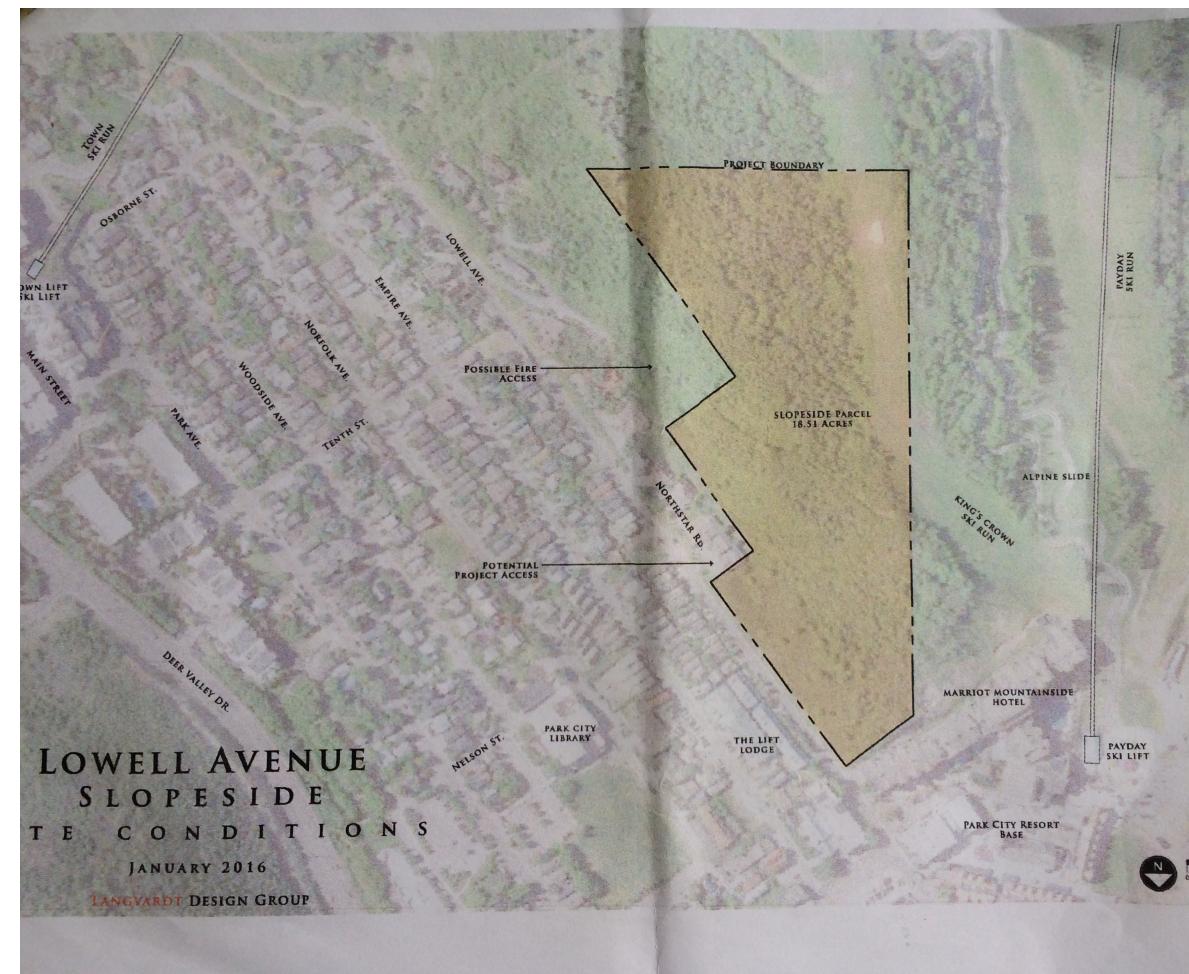
Westernmininghistory.com website.

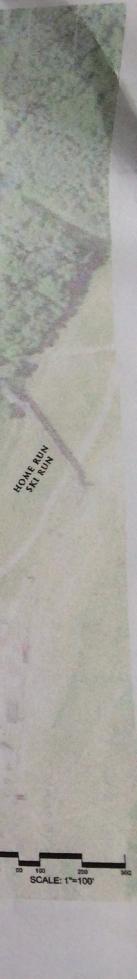


FIGURES

**User-Provided Property Map** 

Stantec Project No.: 203706003/05-Reports/ESAReport



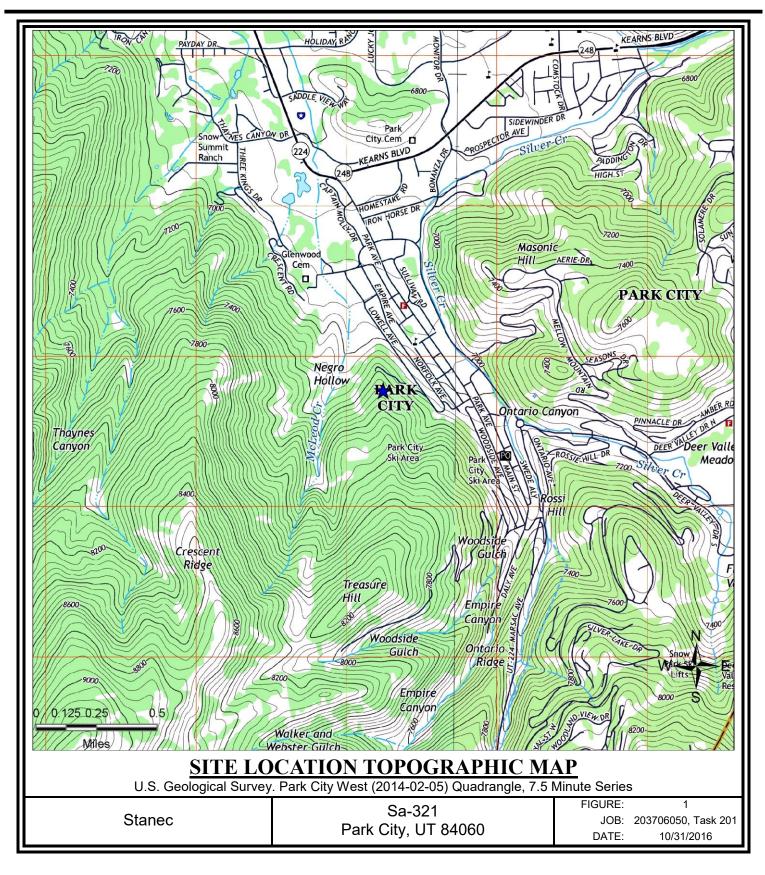


FIGURES

Figure 1 Property Topographic Map, Excerpted from ERS Report

Stantec Project No.: 203706003/05-Reports/ESAReport





www.RecCheck.com Page 22 Copyright 2016 Environmental Record Search (ERS) All Rights Reserved

2104675244

Appendix E {Environmental Survey}

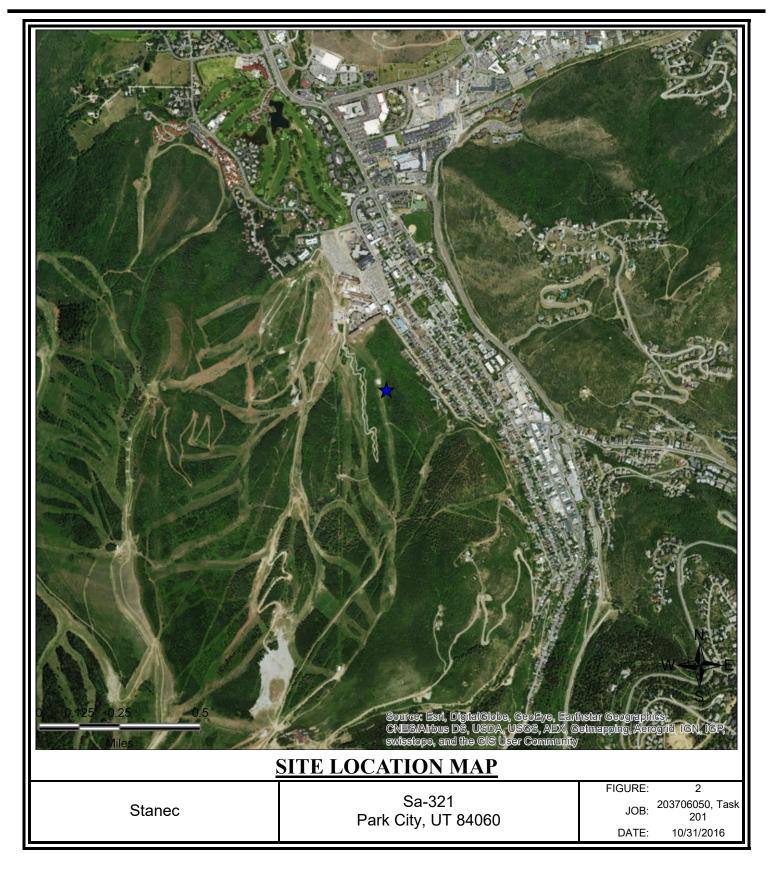
800-377-2430

FIGURES

Figure 2 Property Aerial Map, Excerpted from ERS Report

Stantec Project No.: 203706003/05-Reports/ESAReport





800-377-2430

www.RecCheck.comPage 23Copyright 2016 Environmental Record Search (ERS) All Rights Reserved

Appendix E {Environmental Survey}

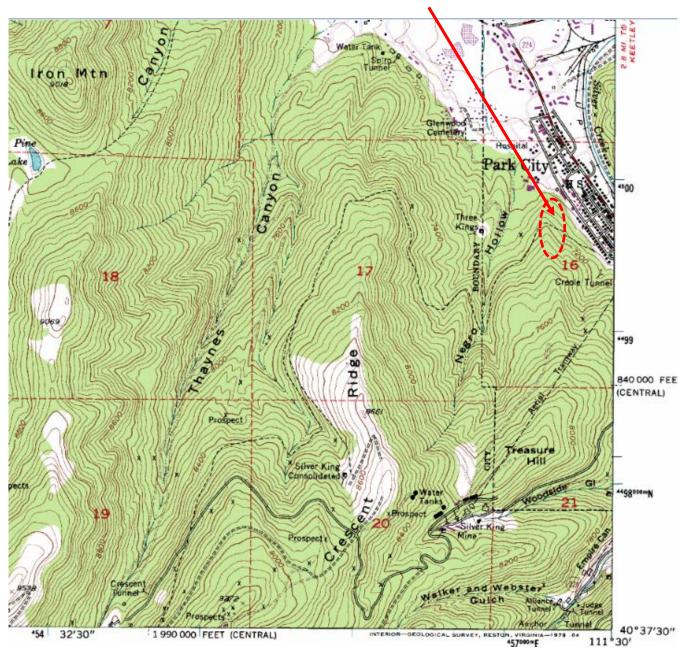
2104675244

FIGURES

Excerpted 1955 USGS Park City West Quadrangle Topographic Map

Stantec Project No.: 203706003/05-Reports/ESAReport

## Excerpted 1955 USGS Park City West Topographic Quadrangle Map



**Generalized Property Area** 

FIGURES

Excerpted USGS Professional Paper 77, Geology and Ore Deposits of Park City District, 1912

### Excerpted from USGS Professional Paper 77, Geology and Ore Deposits of the Park City District, 1912 General Lowell Slopeside Property Location and 39-1 (Creole Shaft) and 39-2 (Creole Tunnel)

