

MAYFLOWER MOUNTAIN RESORT WATER SUPPLY FACT SHEET

Extell has secured both legal rights to water (paper rights) and reliable physical sources (wet water) to provide for supplying water to the Mayflower Mountain Resort in Wasatch County, Utah (the “**Resort**”). Extell’s water interests are held through its subsidiary BLX Water Holding LLC (“**BLX Water**”), with water deliveries coming from Jordanelle Special Service District (“**JSSD**”). JSSD has done an excellent job preparing to meet future water demands. The following facts should alleviate any concern relating to “paper” or “wet” water rights to serve the Resort:

1. “Paper” water rights are the legal mechanism to establish the relative priorities of users on a system and are critical in allocating a finite resource. Municipal water providers across the state, including JSSD, secure paper rights to meet “the reasonable future water requirements of the public.”
2. JSSD has also been proactive in securing rights to physical water resources. JSSD’s current primary supply of water comes from the Ontario Drain Tunnel. The Tunnel has produced, on average since 2013, more than 2400 acre-feet/year, which is more than the entire average retail and wholesale water requirements of JSSD during that same period.
3. In addition to the Ontario Drain Tunnel, JSSD also has multiple wells from which it can pull its water rights. Six existing wells have pump tests totaling more than 3,500 gallons per minute of wet water supply. To the extent that the Ontario Drain Tunnel is insufficient to meet future needs, JSSD can draw groundwater to meet those needs.
4. JSSD is also developing a new water treatment plant that will treat water from the Jordanelle Reservoir, and water will be taken from the diversion structure located below the dam in accordance with the priority of JSSD’s rights to water delivery, which include up to 1,816 acre-feet annually of storage water from the Central Utah Project.
5. BLX Water has agreements with JSSD to supply “wet” water to the Resort for culinary and snowmaking purposes. And the water supplies listed above can easily provide the needs of the Resort along with JSSD’s present retail and wholesale water delivery obligations.
6. BLX Water also holds separate water rights that have been converted from irrigation to commercial uses that will be used in connection with water from JSSD for snowmaking at the Resort.
7. Using water historically used for irrigation for culinary and snowmaking purposes results in a net gain for the Provo River Drainage System as a whole. Irrigation typically consumes about 50% of the water applied to crops with the remainder returning to the hydrologic system. Culinary and snowmaking uses typically consume about 20% or less of the water used with the remaining 80% or more returning to the hydrologic system. Accordingly downstream users could actually see more water in the system.
8. Man-made snow actually slows the snowmelt and extends runoff, which also benefits downstream water users.

Some have asked: “Is there enough water to support a major ski resort in Wasatch County?” Based on planning and collaboration by JSSD and BLX Water, the answer to that question is “YES.”