

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE GREATROCK NORTH WATER AND SANITATION DISTRICT HELD NOVEMBER 2, 2021

A regular meeting of the Board of Directors (referred to hereafter as “Board”) of the Greatrock North Water and Sanitation District (referred to hereafter as “District”) was convened on Tuesday, November 2, 2021 at 4:30 P.M. The meeting was conducted via video conference – Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors in attendance:

Robert W. Fleck
John D. Wyckoff
Brian K. Rogers
Dave Lozano
Jeffrey Polliard

Also in attendance were:

Lisa A. Johnson and Rebecca Gianarkis; CliftonLarsonAllen LLP (“CLA”)
Jennifer Gruber Tanaka, Esq.; White Bear Ankele Tanaka & Waldron, P.C.
Mike Murphy; Ramey Environmental Compliance, Inc.
Nick Marcotte; Element Engineering, LLC

ADMINISTRATIVE MATTERS

Disclosures of Potential Conflicts of Interest: Ms. Johnson advised the Board that, pursuant to Colorado law, certain disclosures may be required prior to taking official action at the meeting. The Board reviewed the Agenda for the meeting, following which, Directors Fleck, Wyckoff, Rogers, Lozano and Polliard each confirmed that they had no conflicts of interest in connection with any of the matters listed on the Agenda.

Agenda: Ms. Johnson distributed for the Board’s review and approval a proposed Agenda for the District’s regular meeting. Following discussion, upon a motion duly made by Director Wyckoff, seconded by Director Rogers and, upon vote, unanimously carried, the Board approved the Agenda as amended.

Board of Director’s Report: None.

District Manager’s Report: The Board reviewed the monthly Manager’s Report. There were no questions. A copy of the report is attached hereto and incorporated herein by this reference.

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CONSENT AGENDA

The Board considered the following actions:

1. Approve the Minutes of the September 7, 2021 regular meeting.
2. Ratify approval of the payment of claims for the period ending September 28, 2021 in the amount of \$93,560.37.
3. Ratify approval of the payment of claims for the period ending October 25, 2021 in the amount of \$170,594.04.
4. Operations and Maintenance Activities Report.
5. Review meter installation report.
6. Acceptance of Cash Position Schedule and Unaudited Financial Statements for the period ending September 30, 2021 and Inclusion Summary.
7. Adopt Resolution No. 2021-11-01: Annual Administrative Resolution

Following discussion, upon a motion duly made by Director Wyckoff, seconded by Director Rogers and, upon vote, unanimously carried, the Board approved the Consent Agenda items, as presented.

FINANCIAL MATTERS

Water Rate Model Related to 2022 Water Rates: Ms. Johnson and Mr. Marcotte briefly reported on the status of the water rate model. A full presentation on the rate model will be given at the December Board meeting.

Public Hearing on Proposed 2022 Budget; Resolution No. 2021-11-02 to Adopt Budget, Imposing Mill Levy and Appropriating Funds: Ms. Johnson opened the public hearing to consider adopting the 2022 Budget. It was noted that Notice stating the Board would consider adopting the 2022 Budget, and the date, time and place of the public hearing was published in a newspaper having general circulation within the District. No written objections were received prior to the public hearing, no public was in attendance for comment, and the public hearing was closed.

Ms. Johnson presented the draft 2022 Budget to the Board.

Following discussion, upon a motion duly made by Director Wyckoff, seconded by Director Rogers and, upon motion, unanimously carried, the Board adopted Resolution No. 2021-11-02, a Resolution adopting the 2022 Budget as discussed and revised, appropriating funds, and imposing a total mill levy of 47.000 mills (General Fund – 30.500 and Debt Service Fund – 16.500).

ENGINEER'S REPORT

Mr. Marcotte presented his Engineer's Report and provided updates. A copy of the report is attached hereto and incorporated herein by this reference.

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CAPITAL PROJECTS UPDATES:

Third Alluvial Well: No new updates to report.

Evaporation Pond: Mr. Marcotte reported that Mr. Jay Scolnick contacted him to ask if the Board would consider extending the deadline to convey certain property related to the purchase and sale of Parcel 5. The Board's position on this subsequent request has not changed in that they are not interested in extending the deadline.

Status of Condemnation Efforts: The Board determined that the easement is no longer needed. Ms. Johnson will notify Attorney Alderman of this action.

Reverse Osmosis Treatment Facility: Mr. Marcotte provided an update on the information he received from Adams County regarding the Planning Commission meeting and the Board of County Commissioners meeting. He will contact ADCO and see if there is an opportunity to move the project along a little sooner in their processes.

Mr. Marcotte reported that he will follow up with Worth Hydrochem to confirm that the pricing for the Reverse Osmosis Treatment Facility project is locked in.

Pay Application No. 1 for Moltz Construction, Inc. for period May 7, 2021 to September 30, 2021 in the Amount of \$117,954.07: Mr. Marcotte presented Pay Application No. 1 to the Board and recommended payment. Following review and discussion, upon a motion duly made by Director Rogers, seconded by Director Wyckoff and, upon vote, unanimously carried, the Board approved Pay Application No. 1 as presented.

OPERATIONS / MAINTENANCE MATTERS

Operator in Responsible Charge (ORC) Report: Mr. Murphy presented his report and provided updates. A copy of the report is attached hereto and incorporated herein by this reference.

LEGAL MATTERS

Resolution No. 2021-11-03 Calling an Election for May 3, 2022: Attorney Tanaka presented the Resolution to the Board.

Discuss Two Methods of Providing Call for Nominations: 1) Publication; and 2) Website: Attorney Tanaka presented the statutory changes which changed the methods in which the District must provide the Call for Nominations to registered electors. She and Ms. Johnson recommended posting the Call for Nominations on the website as well as publishing in the newspaper.



Date: October 25, 2021
To: Greatrock North Water and Sanitation District, Board of Directors
From: Lisa A. Johnson, District Manager
Re: November 2, 2021 Manager's Report

Agenda Action Items

II.A. Consent Agenda

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I recommend approval of the consent agenda items.

III.A. Water Rate Model

Director Wyckoff, Mr. Marcotte and I met virtually to review the 2022 water rate model. More information will be shared at the meeting.

III.B. 2022 Budget Hearing and Adoption of 2022 Budget

I will present the final draft budget for 2022 to the Board at the meeting and we will hold the public hearing to adopt the 2022 budget at that time.

I recommend adoption of the 2022 Budget and Resolution

VII.A. Homestead Heights/ Country Club Ranchettes #1

Updates provided in the Engineer's Report.

VII.B. Hayesmount Estates

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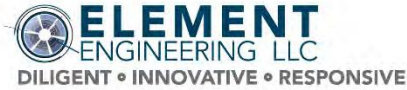
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Review of monthly Water Resumes and Other Water Related Matters

Attorney Poznanovic has reviewed the August resume and did not find any cases he recommends the District oppose.

Update on other District Related Matters and/or Committee Meetings

Director Wyckoff, Director Fleck at times, Mr. Marcotte, Ms. Giankaris and I are meeting on Friday mornings at 9 am via Microsoft Teams to discuss weekly updates on the capital projects as well as any operational matters.



ENGINEER'S PROGRESS REPORT

Date: October 5, 2021
To: Greatrock North Water and Sanitation District
From: Element Engineering
Job No. 0041.0001
RE: Monthly Engineers Report – **New Items Bold**

CAPITAL PROJECTS:

1. **Water Treatment Plant Improvements - Construction**

Element Engineering recommended Moltz Construction be awarded the project. The board voted to award the project to Moltz at the district's April 4th Meeting. The notice of award and owner-contractor agreement have been signed by both the district and the contractor. Bonds and insurance (payment and performance bonds) have been received by Element. Hard copies will be provided to CLA. Element held a meeting with Moltz to discuss a schedule for the pre-construction meeting and notice to proceed. The pre-construction meeting is scheduled for the week of May 31st with the notice to proceed being issued shortly after. Moltz has already submitted documents for the septic system permit and is working on the building department permit. We expect submittals to begin arriving for review shortly.

A pre-construction meeting was held on June 10th. The Notice to Proceed has been fully executed by both parties. The following is a summary of the construction timeline:

Notice to Proceed:	June 14, 2021
Substantial Completion:	March 26, 2022 (285 days after NTP)
Punch List Complete:	May 10, 2022 (45 days after Substantial Completion)

Moltz Construction has started sending material and equipment submittals to Element for review.

During the building permit review process Adams County planning is requiring that a Major PUD Amendment process be completed. As it was our understanding that this would not be required, due to the proposed building being included in the last PUD amendment, Element reached out to Adams County to review this requirement. Adams County has indicated that as the building was included on the site plan, not the signed PUD amendment, a new amendment process would be required. The major amendment will require 2 hearings: one before the Planning Commission and one before the Board of County Commissioners. A neighborhood meeting will also be required. We have informed Moltz of this requirement and will keep them informed as to our

progress and how it may, or may not, affect their schedule. It is our hope that we can complete this process prior to Molt's planned onsite construction date, therefore causing no delays.

The required major PUD amendment mailer was sent out by certified mail. The public meeting is scheduled for August 3rd at 5:30 PM via Zoom (the same Zoom invitation as the district's board meeting). A meeting agenda has been provided to the board for review and is attached to this report.

The public meeting was held on August 3rd. The PUD application was submitted shortly after. We have received confirmation that the application has been received and assigned to a county planner. Element has reached out to our assigned project manager to see what the schedule for the PUD process will be. We have not yet received a response on that request.

Moltz Construction has requested to mobilize onsite with fencing, portlets, and other minor items. This request has been approved.

Element attended site visit meeting with Moltz and REC on September 16th to exchange building keys and discuss initial mobilization. The temporary construction fencing will be installed on or about Monday September 20th.

We have received comments from the Adams County planner assigned to our PUD amendment case. The comments provided by Adams County are attached to this report. Comments and Element responses are as follows:

- Staff has concerns with the visual and aesthetic compatibility of the proposed structure with the rest of Box Elder Creek Ranch PUD. Please provide more detail about the building material that will be used.

Element Response: Although this information was included with the original application, we will address this comment by including images of nearby and adjacent structures and showing that the proposed building features Hardie siding and wood trim. We will stress that the district is budgeting significant money to ensure that the building blends with adjacent structures.

- Provide a more detailed landscaping plan to show how many and what type of trees that will be planted. Please show all existing trees and vegetation that will remain after the structure is complete.

Element Response: We will provide a landscaping plan as requested. A draft of the landscaping plan is attached. All trees installed will be Austrian Pines.

- The secondary access will require a county access permit and review, etc.

Element Response: Element responded to this comment with an email requesting clarification on this item. This is technically not a "secondary" access used by the project. This is the primary access to what was originally a separate lot.

A response to all comments will be sent to Adams County by September 24th. A draft comment response letter will be provided to the district manager and board president and vice-president prior to submittal to Adams County.

Moltz has submitted Pay Application No. 1 which includes fees for mobilization. Element has reviewed this application and recommend it for approval. Moltz cannot begin work until the final building permit is issued. This requires the county to approve the Major PUD Amendment. Element has requested a schedule from the newly assigned Adams County project manager and we are awaiting a response.

2. Concentration Evaporation Pond

Element has reviewed all historic documents on the concentration evaporation pond and has contacted the subconsultant tasked with the concentrate line and pond grading design (CVL). The tasks necessary to complete design and permitting of the concentrate pond are as follows:

- Receive concentrate line and pond CAD files from CVL.
- Compile an Engineering Design and Operations Plan (EDOP), design plans, liner design, and specifications for the pond per CDPHE Section 9: Waste Impoundments.
- Finalize pond grading design and SWMP.
- Update concentrate line per request from developer and update easement exhibit.

Element has provided the district with a proposal to the district to complete pond design and CPDHE submittal (EDOP, plans, specifications). The EDOP, plans, and specifications will be to CPDHE for review and approval. After approval, the district will be granted approval for construction. CDPHE has strict quality control and construction documentation requirements including a construction QA/QC report that must be submitted after construction. Element can provide a proposal for pond bidding, construction observation, and construction QA/QC reporting at the appropriate time.

Element's proposal to complete the third concentrate pond and line has been approved by the district. We are currently working on the EDOP and plans. Also, we have provided a modified draft easement exhibit to Jay Scolnick for the revised concentrate line alignment.

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be lowered. Element recommends any new concentrate main installation be 8-inch diameter SDR 35 PVC minimum.

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3. Third Alluvial Well

Element will report items pertaining to the third alluvial well in this section.

Element met with the district's water resources engineer on August 12th. It was discussed that the location of Alluvial Well 3 and 4 would likely be the best locations for the new alluvial well. Element has been requested to complete a construction and design cost estimate to tie each of these well locations into the existing raw water lines. This work will begin shortly.

The well locations 3 and 4 were determined to be the best locations as they produce a satisfactory amount of water and have better water quality than location 5, which tested very high in nitrates (> 20 mg/L).

A Basis of Design Report (BDR) must be submitted to CDPHE to add an additional water source. This BDR must include the results of extensive water quality testing. Two separate testing batteries must be completed in two separate calendar quarters. Also, once drilled, the well will need to be tested to insure it is not under the direct influence of surface water.

No work this period.

GENERAL ENGINEERING – ADMINISTRATION

Element has been coordinating closely with CLA to onboard general engineering services. Element, CLA and GNWSD held an initial onboarding meeting at Element offices on June 10th. An additional onboarding meeting with REC has been scheduled on June 30th at REC offices. We have received all electronic and hard copy files from MMI and have reviewed them to determine the sum of available records.

Element has completed cost estimates to support 2022 budget preparation. This included estimated general engineering (ops and admin) fees, capital project fees, and engineering construction administration fees. A meeting to review the proposed budget items was held on September 22nd at REC offices.

Element is coordinating the additional information (survey) and scoping items on the concentrate line and concentrate pond and line alternatives in the General Engineering – Administration job number.

1. Box Elder Creek Ranch Subdivision

Element will report general administrative engineering items pertaining to the Box Elder Creek Ranch subdivision in this section.

No work this period.

2. Rocking Horse Farms Subdivision

Element will report general administrative engineering items pertaining to the Rocking Horse Farms subdivision in this section.

Element has coordinated with REC to complete the recommendation for final acceptance of the Rocking Horse Farms Pump Station Replacement Project. The project was completed on July 22, 2020, and has been successfully operating since startup. The 1-year warranty period has elapsed, and Element recommends final acceptance.

No work this period.

3. Greatrock North Subdivision

Element will report general administrative engineering items pertaining to the Greatrock North subdivision in this section.

No work this period.

4. Hayesmount Estates Subdivision

Element will report general administrative engineering items pertaining to the Hayesmount Estates subdivision in this section.

No work this period.

GENERAL ENGINEERING – OPERATIONS

Element will report on water accounting, use, water quality, and electrical usage, and pond levels in this section. We are working on on-boarding and coordination with REC so that we may obtain data for regular reporting.

See attached monthly year over year comparison of electrical use (KWH) and electrical billing (\$).

DEVELOPMENT SERVICES

1. Country Club Ranchettes Filing No. 1

Element has contacted Jay Scolnick and his contractor (Three Sons Construction) to set up a pre-construction meeting. The meeting is tentatively scheduled to be held onsite during the weeks of July 5th or July 12th depending on final construction permit issuance from Adams County. Three Sons Construction has started the submittal process with Element. We are reviewing submittals per the district’s rules and regulations.

Element will discuss construction observation and management roles and responsibilities with REC and CLA to clearly define task responsibility between each entity.

Element will be responsible for onsite construction observation. Submittals have been received and reviewed. A pre-construction meeting was held on July 16th. Onsite construction work started on July 21st. Element will be providing full time observation for the first week, and scale back observation time if we feel the contractor is completing acceptable work. Element provided the

district with an estimated number of hours for onsite work that included the pre-construction, observation, GPS services and final walkthrough.

Element has completed construction observation and oversight during construction. Adams County notified the developer (Jay) and their engineer (Manhard) that their fire hydrant design and installation was three feet too close to the centerline of the asphalt roadway. The hydrants are required to be moved, which will require a new pressure test. An exhibit of this relocation is attached to this board report.

Element inspected and coordinated work on the fire hydrant relocation.

Minor construction observation/coordination occurred during this reporting period. Initial acceptance will occur after the surface improvements are complete (pavement, etc).

2. Country Club Ranchettes Filing No. 2

No work this period.

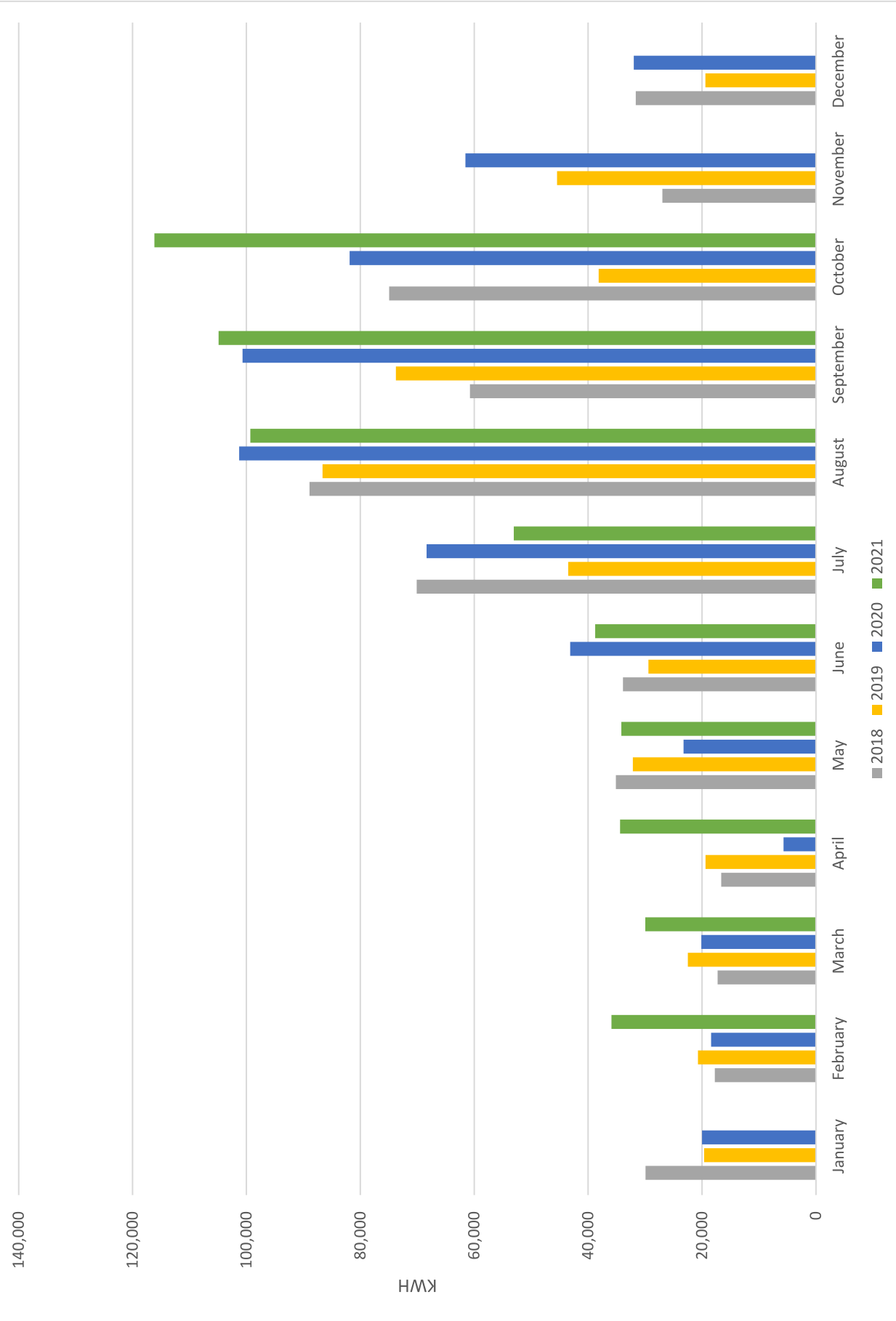
3. Ridgeview Estates

Element has requested the developer that to notify us when all surface improvements have been completed. Upon completion of these improvements an initial acceptance walkthrough can be held, and a punch list generated. Upon completion of the punch list items (if any) initial acceptance will be recommended.

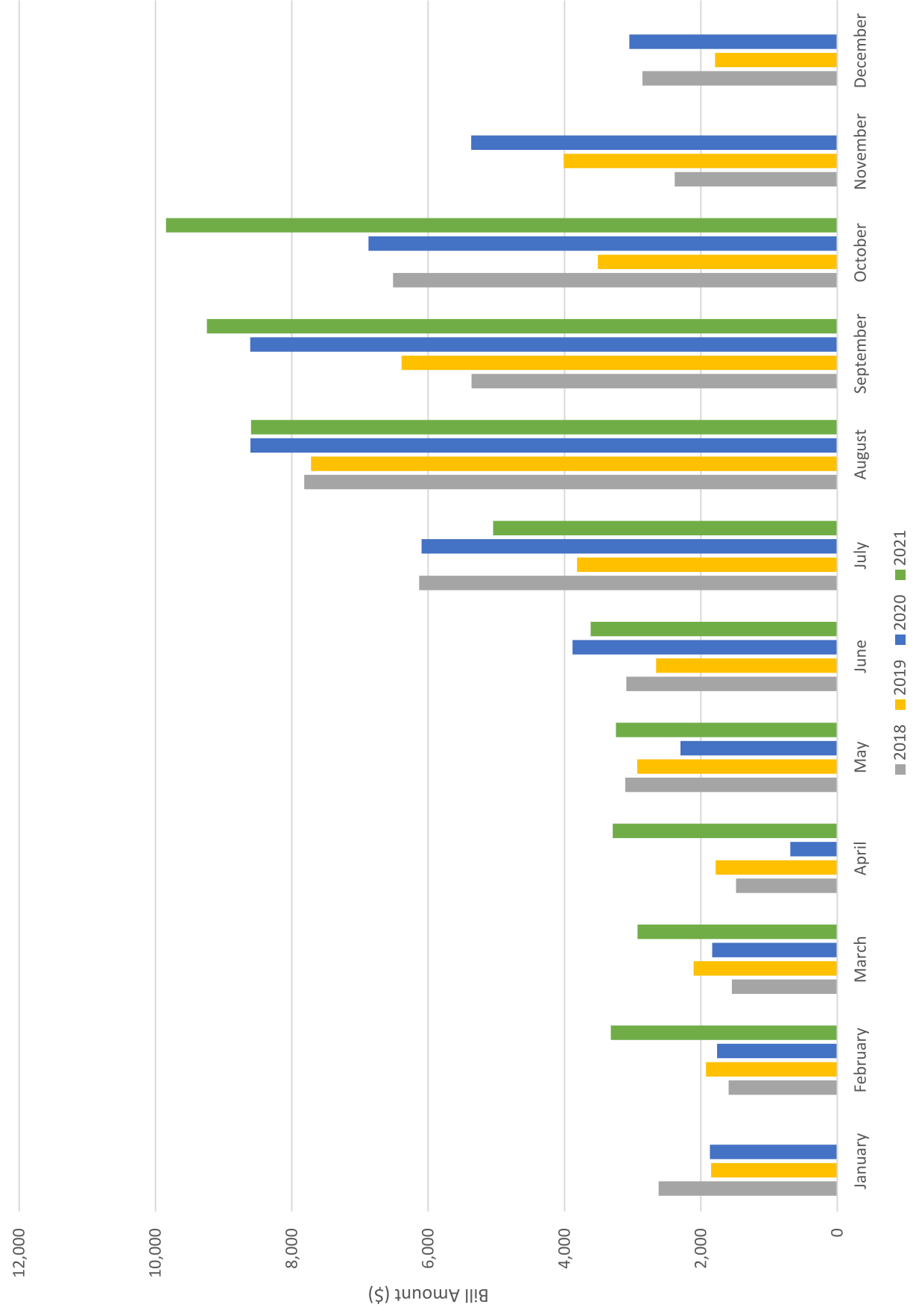
A punch list was generated and provided to the developer. We received a response that the punch list would be completed and that we would be notified when items are completed. Once complete we will do a final walkthrough.

The developer reported that the initial acceptance checklist was completed. A walkthrough was completed by Element on October 4th. There were minor items that need repair that were reported to the developer. A final inspection will be completed upon receiving word that the final remaining items have been completed.

District-Wide Energy Use by Month (KWH)



District-Wide Electrical Billing by Month (\$)





Ramey Environmental Compliance, Inc.
Management and Operation Solutions for
Water and Wastewater Treatment
303-833-5505

PO Box 99, Firestone, Colorado 80520
email: contact.us@RECinc.net
www.RECinc.net

Greatrock North Water & Sewer District

ORC Report

November 2, 2021

Compliance Sampling

Lead and Copper sampling completed for 2021. Lead and Copper consumer notices will be sent out as soon as sample results are received and reviewed by REC.

Rocking Horse Farms Tank Fill Valve

The RHF Tank fill valve is experiencing on going issues with automatic control. REC and TLECC verified the issues are not electrical or SCADA control problem. Local CLA-Valve representative contacted to schedule site visit to inspect the valve to determine best course of action moving forward. In the meantime, tank fill is being manually controlled by REC.

Update – Local CLA-Valve Representative, Pipestone Equipment, onsite to access RHF fill valve. Pipestone Equipment believes the control issues are due to an internal pressure loss through the internal components of the valve. REC is coordinating with Element Engineering to develop plan to isolate valve for inspection. Presently there is no isolation valve with in the PRV pit and no valves indicated on plant drawings. Repair and/or replacement will need to take place during low demand season due to inability to fill tank while valve is out of service.

Additional Services

REC began valve exercising and hydrant flushing in all subdivisions with anticipated completed by the end of October.



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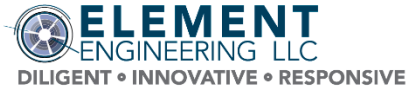
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Element met with the district's water resources engineer on August 12th. It was discussed that the location of Alluvial Well 3 and 4 would likely be the best locations for the new alluvial well. Element has been requested to complete a construction and design cost estimate to tie each of these well locations into the existing raw water lines. This work will begin shortly.

The well locations 3 and 4 were determined to be the best locations as they produce a satisfactory amount of water and have better water quality than location 5, which tested very high in nitrates (> 20 mg/L).

A Basis of Design Report (BDR) must be submitted to CDPHE to add an additional water source. This BDR must include the results of extensive water quality testing. Two separate testing batteries must be completed in two separate calendar quarters. Also, once drilled, the well will need to be tested to insure it is not under the direct influence of surface water.

No work this period.

GENERAL ENGINEERING – ADMINISTRATION

Element has been coordinating closely with CLA to onboard general engineering services. Element, CLA and GNWSD held an initial onboarding meeting at Element offices on June 10th. An additional onboarding meeting with REC has been scheduled on June 30th at REC offices. We have received all electronic and hard copy files from MMI and have reviewed them to determine the sum of available records.

Element has completed cost estimates to support 2022 budget preparation. This included estimated general engineering (ops and admin) fees, capital project fees, and engineering construction administration fees. A meeting to review the proposed budget items was held on September 22nd at REC offices.

Element is coordinating the additional information (survey) and scoping items on the concentrate line and concentrate pond and line alternatives in the General Engineering – Administration job number.

1. Box Elder Creek Ranch Subdivision

Element will report general administrative engineering items pertaining to the Box Elder Creek Ranch subdivision in this section.

No work this period.

2. Rocking Horse Farms Subdivision

Element will report general administrative engineering items pertaining to the Rocking Horse Farms subdivision in this section.

Element has coordinated with REC to complete the recommendation for final acceptance of the Rocking Horse Farms Pump Station Replacement Project. The project was completed on July 22, 2020, and has been successfully operating since startup. The 1-year warranty period has elapsed, and Element recommends final acceptance.

No work this period.

3. Greatrock North Subdivision

Element will report general administrative engineering items pertaining to the Greatrock North subdivision in this section.

No work this period.

4. Hayesmount Estates Subdivision

Element will report general administrative engineering items pertaining to the Hayesmount Estates subdivision in this section.

No work this period.

GENERAL ENGINEERING – OPERATIONS

Element will report on water accounting, use, water quality, and electrical usage, and pond levels in this section. We are working on on-boarding and coordination with REC so that we may obtain data for regular reporting.

See attached monthly year over year comparison of electrical use (KWH) and electrical billing (\$).

DEVELOPMENT SERVICES

1. Country Club Ranchettes Filing No. 1

Element has contacted Jay Scolnick and his contractor (Three Sons Construction) to set up a pre-construction meeting. The meeting is tentatively scheduled to be held onsite during the weeks of July 5th or July 12th depending on final construction permit issuance from Adams County. Three Sons Construction has started the submittal process with Element. We are reviewing submittals per the district’s rules and regulations.

Element will discuss construction observation and management roles and responsibilities with REC and CLA to clearly define task responsibility between each entity.

Element will be responsible for onsite construction observation. Submittals have been received and reviewed. A pre-construction meeting was held on July 16th. Onsite construction work started on July 21st. Element will be providing full time observation for the first week, and scale back observation time if we feel the contractor is completing acceptable work. Element provided the

district with an estimated number of hours for onsite work that included the pre-construction, observation, GPS services and final walkthrough.

Element has completed construction observation and oversight during construction. Adams County notified the developer (Jay) and their engineer (Manhard) that their fire hydrant design and installation was three feet too close to the centerline of the asphalt roadway. The hydrants are required to be moved, which will require a new pressure test. An exhibit of this relocation is attached to this board report.

Element inspected and coordinated work on the fire hydrant relocation.

Minor construction observation/coordination occurred during this reporting period. Initial acceptance will occur after the surface improvements are complete (pavement, etc).

2. Country Club Ranchettes Filing No. 2

No work this period.

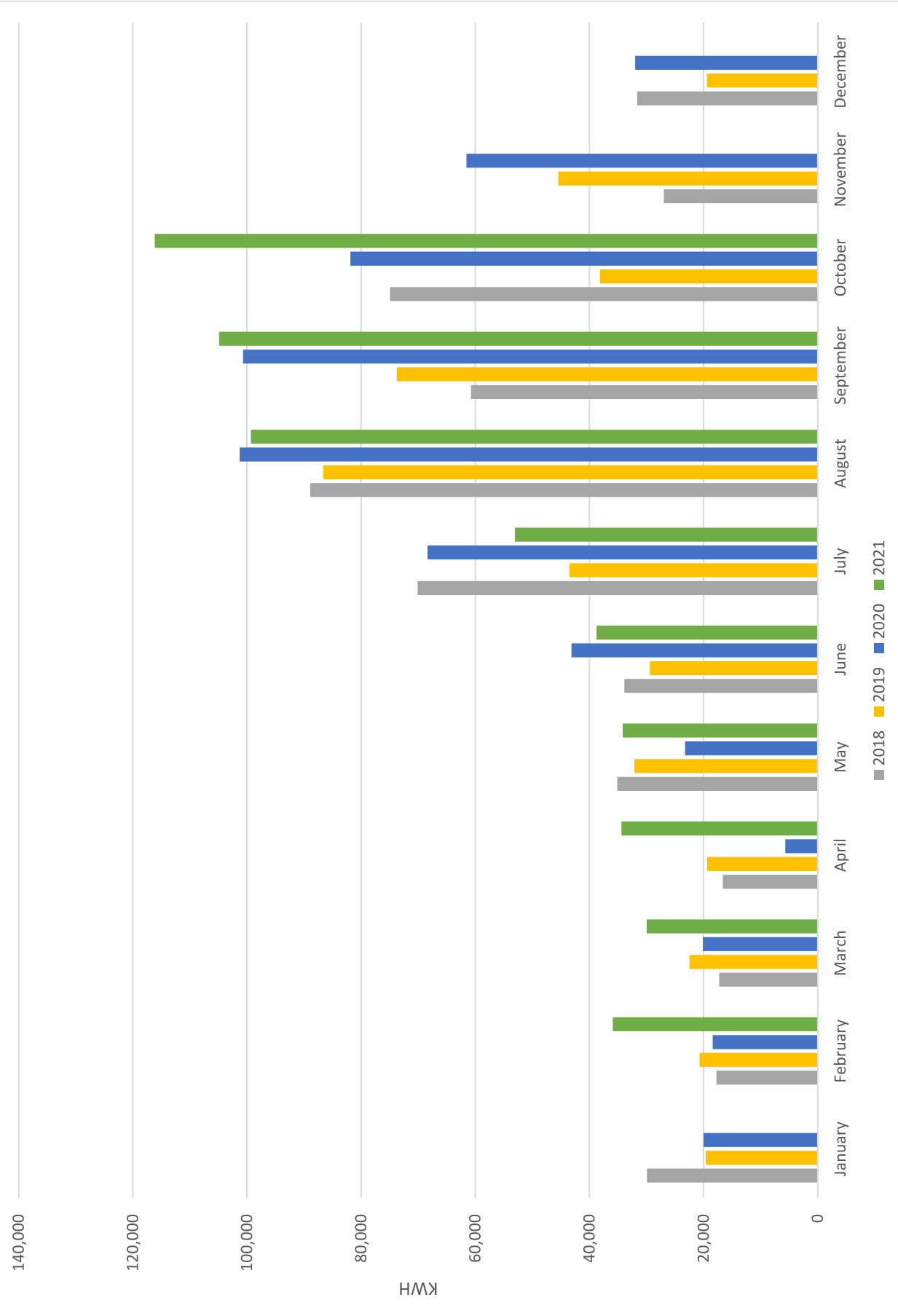
3. Ridgeview Estates

Element has requested the developer that to notify us when all surface improvements have been completed. Upon completion of these improvements an initial acceptance walkthrough can be held, and a punch list generated. Upon completion of the punch list items (if any) initial acceptance will be recommended.

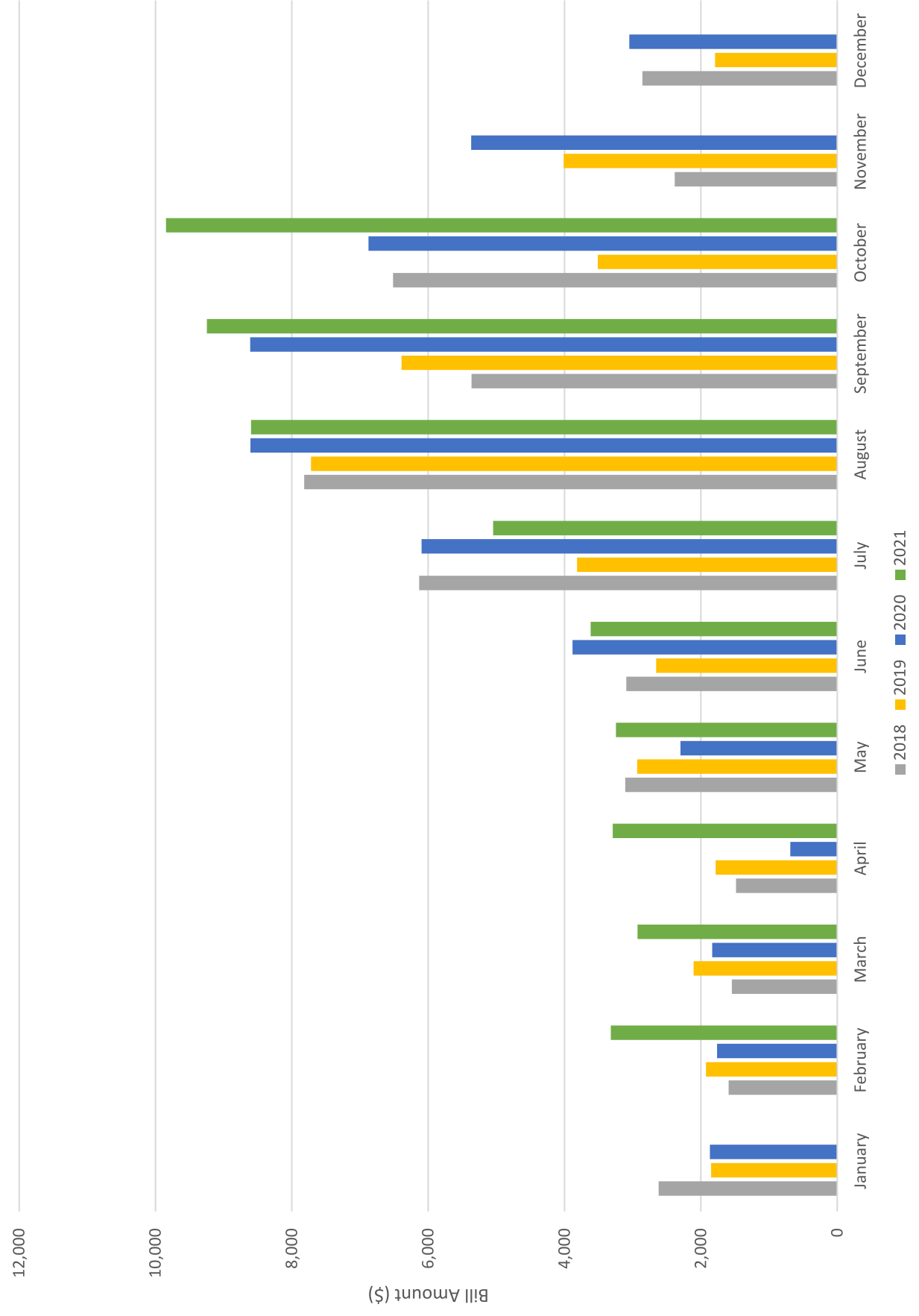
A punch list was generated and provided to the developer. We received a response that the punch list would be completed and that we would be notified when items are completed. Once complete we will do a final walkthrough.

The developer reported that the initial acceptance checklist was completed. A walkthrough was completed by Element on October 4th. There were minor items that need repair that were reported to the developer. A final inspection will be completed upon receiving word that the final remaining items have been completed.

District-Wide Energy Use by Month (KWH)



District-Wide Electrical Billing by Month (\$)





Ramey Environmental Compliance, Inc.
Management and Operation Solutions for
Water and Wastewater Treatment
303-833-5505

PO Box 99, Firestone, Colorado 80520
email: contact.us@RECinc.net
www.RECinc.net

Greatrock North Water & Sewer District

ORC Report

November 2, 2021

Compliance Sampling

Lead and Copper sampling completed for 2021. Lead and Copper consumer notices will be sent out as soon as sample results are received and reviewed by REC.

Rocking Horse Farms Tank Fill Valve

The RHF Tank fill valve is experiencing on going issues with automatic control. REC and TLECC verified the issues are not electrical or SCADA control problem. Local CLA-Valve representative contacted to schedule site visit to inspect the valve to determine best course of action moving forward. In the meantime, tank fill is being manually controlled by REC.

Update – Local CLA-Valve Representative, Pipestone Equipment, onsite to access RHF fill valve. Pipestone Equipment believes the control issues are due to an internal pressure loss through the internal components of the valve. REC is coordinating with Element Engineering to develop plan to isolate valve for inspection. Presently there is no isolation valve with in the PRV pit and no valves indicated on plant drawings. Repair and/or replacement will need to take place during low demand season due to inability to fill tank while valve is out of service.

Additional Services

REC began valve exercising and hydrant flushing in all subdivisions with anticipated completed by the end of October.

Certificate Of Completion

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Status: Completed

Subject: Please DocuSign: Greatrock North WSD - Minutes to Sign - 10-26-2021 and 11-02-2021

Client Name: Greatrock North WSD

Client Number: 011-046103-OS00-2021

Source Envelope:

Document Pages: 28

Signatures: 2

Envelope Originator:

Certificate Pages: 4

Initials: 0

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Lisa.Johnson@claconnect.com

District Manager

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Signature

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