

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE GREATROCK NORTH WATER AND SANITATION DISTRICT HELD APRIL 7, 2015

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, April 7, 2015 at 5:30 P.M., at United Power, 500 Cooperative Way, Brighton, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Robert W. Fleck
John D. Wyckoff (via speakerphone)
Jeffrey Polliard
Dave Lozano

Following discussion, upon motion duly made by Director Polliard, seconded by Director Fleck and, upon vote, unanimously carried, the absence of Brian K. Rogers was excused.

Also In Attendance Were:

Lisa A. Johnson; Special District Management Services, Inc.

Jennifer Gruber Tanaka, Esq.; White Bear Ankele Tanaka & Waldron, P.C.

Brad Simons, TZA Water Engineers

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

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. Attorney Tanaka confirmed that disclosures of conflicts of interest were filed with the Secretary of State’s Office and the Board at least 72 hours prior to the meeting for those Directors with potential conflicts of interest. The Board reviewed the Agenda for the meeting, following which, Directors Lozano, Polliard, Fleck and Wyckoff each confirmed that they had no additional conflicts of interest in connection with any of the matters listed on the Agenda.

RECORD OF PROCEEDINGS

ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the District's regular meeting.

Following discussion, upon motion duly made by Director Polliard, seconded by Director Fleck and, upon vote, unanimously carried, the Agenda was approved as amended.

Board of Directors' Report: The Board discussed the status of the letters sent to residents regarding locating of curb stops and/or meter pits on their property in Rocking Horse Farms and Box Elder Creek Ranch. Ms. Johnson advised the Board that she mailed roughly 14-16 letters to affected homeowners. She has received correspondence from 6 homeowners regarding their efforts to locate the curb stop on their property.

The Board directed staff to solicit proposals from contractors specializing in water line locates to locate the remaining curb stops and/or water meters.

Manager's Report: Ms. Johnson presented and the Board reviewed the April Manager's Report. A copy of the report is attached hereto and incorporated herein by this reference.

CONSENT AGENDA

Consent Agenda: The Board considered the following actions:

- Approve Minutes from the March 3, 2015 regular meeting.
- Ratify approval of payment of claims through the period ending March 10, 2015, as follows:

General Fund	\$ 33,258.60
Debt Service Fund	\$ -0-
Capital Projects Fund	\$ 1,955.00
Total Claims:	<u>\$ 35,213.60</u>

- Accept cash position schedule and unaudited financial statements through the period ending February 28, 2015.
- Review operations and maintenance update and monthly work orders.
- Review monthly water quality report.

Following discussion, upon motion duly made by Director Polliard, seconded by Director Lozano and, upon vote, unanimously carried, the Board approved the consent agenda items.

RECORD OF PROCEEDINGS

FINANCIAL MATTERS

Status of 2014 Audit: Ms. Johnson reported that field work has been scheduled and the audit will be presented at the June or July Board meeting.

Claims for the Period Ending April 7, 2015: The Board reviewed the claims for the period ending April 7, 2015 as follows:

General Fund	\$ 37,876.91
Debt Service Fund	\$ -0-
Capital Projects Fund	\$ 6,646.00
Total Claims:	\$ <u>44,522.91</u>

Following discussion, upon motion duly made by Director Polliard, seconded by Director Lozano and, upon vote, unanimously carried, the Board approved the claims for the period ending April 7, 2015 as presented above.

WATER MATTERS

Update on Acquisition of Renewable Water Rights: Ms. Johnson reported that Mr. Sanchez continues to pursue options to acquire renewable water rights.

ENGINEER'S REPORT

Engineer's Report: Mr. Simons presented the Engineer's Report to the Board. A copy of the report is attached hereto and is incorporated herein by this reference.

Concentrate Management:

Pure Water Solutions, Inc. Proposal for inspection of Reverse Osmosis Unit and Components: Mr. Simons reported that the independent contractor agreement has been prepared and transmitted to Pure Water Solutions for execution.

Industrial Water Permitting and Recycling Consultant: Mr. Simons addressed the Board. He would like the Board to consider taking a different approach to its concentrate management issue. He has recently spoken to a consultant that has had some success in using concentrate water, such as the District's, for beneficial use, i.e. dust suppression. Mr. Simons is soliciting a proposal from this consultant to aid the District in locating a viable user of the District's concentrate water and to outline what would be needed to obtain approval from the Colorado Department of Public Health and Environment.

Solar Bee: Mr. Simons has researched water evaporation aids for the District's ponds. He presented some preliminary findings. He will complete his research and present options to Directors Fleck and Wyckoff at the April mid-month meeting. Directors Fleck and Wyckoff will make a decision on how to proceed.

RECORD OF PROCEEDINGS

Greatrock North Pump Station Project: Mr. Simons presented the design of the pump station project. He plans to publish the solicitation for contractors in May and present the proposals to the Board at the June meeting.

**OPERATIONS/
MAINTENANCE
MATTERS**

Proposal from Elite Industries for Additional Landscape Maintenance: Ms. Johnson presented a proposal from Elite Industries for the following:

- Fertilization treatment
- Prune Austrian Pine trees
- Seeding

The total cost for all additional services is \$1,803.

Following discussion, upon motion duly made by Director Lozano, seconded by Director Wyckoff and, upon vote, unanimously carried, the Board approved the proposal from Elite Industries for additional landscape maintenance in the amount of \$1,803.

Proposal to Replace/Repair Radiator on Generator at Rocking Horse Farms: The Board reviewed a proposal in the amount of \$7,631.91 obtained by Mr. Rabas to replace/repair the radiator on the generator at Rocking Horse Farms.

The Board felt that the proposal was extremely high and directed staff to solicit additional proposals.

OTHER BUSINESS

Other Business: There was no other business.

**COMMUNITY
COMMENTS**

Community Comments: There were no community comments

ADJOURNMENT

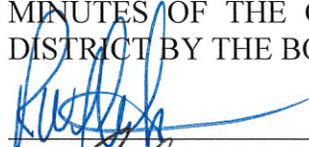
There being no further business to come before the Board at this time, upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

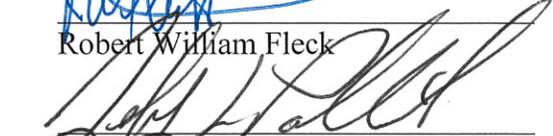
By  Secretary for the Meeting

RECORD OF PROCEEDINGS

THESE MINUTES APPROVED AS THE OFFICIAL APRIL 7, 2015
MINUTES OF THE GREATROCK NORTH WATER AND SANITATION
DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:



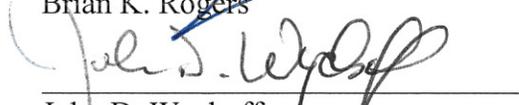
Robert William Fleck



Jeffrey L. Polliard



Brian K. Rogers



John D. Wyckoff



Dave Lozano



Date: March 26, 2015
To: Greatrock North Water and Sanitation District, Board of Directors
From: Lisa A. Johnson, District Manager
Re: April 7, 2015 Manager's Report

Agenda Action Items

II.A. Consent Agenda

1. March 3, 2015 regular meeting minutes.
2. March 2015 claims
3. February 28, 2015 Financial Statements
4. Operations and Maintenance Update and monthly work orders
5. Water quality Report

I recommend approval of the consent agenda items.

Review of monthly Water Resumes and Other Water Related Matters

Attorney Poznanovic reviewed the January resume, and found one case that he wanted to make the District aware of. Information was given to the Board at the March board meeting.

Letters to Homeowner's Regarding Locating Curb Stops

Letters were sent to sixteen homeowner's in Box Elder Creek Ranch regarding a request to locate the curb stop and, in some cases, the curb stop and water meter pit on their property.

To date, I have received correspondence from three homeowners regarding the request.

Summary of mid-month meeting with Directors Fleck and Wyckoff

Director Fleck and Wyckoff, Mr. Simons and I met on March 12, 2015. Topics discussed were as follows:

- Continued discussions on concentrate management effort.
- Status of discussions with CDPHE on discharge permit.
- Reviewed the GRN Pump Station Improvements Project preliminary design.
- Discussed data received from pressure logger that was located at Director Wyckoff's residence.
- Discussed operational issues.

March Operations Maintenance Matters

Below please find the list of maintenance items transmitted to Mr. Rabas for the month of March and his initial response:

-Pond aerator – when will this be installed for the season? First week of April

-Light bulb replacement (inside and outside) at all facilities if needed. Light bulbs inspected and replaced as needed.

-Can you provide me a status of the valve box inserts and markers project that was identified at our last inspection? Valve numbers, clockwise or counter clockwise, normally open, normally closed. Still in progress

-Did the replacement of the check valve at BECR stop the leak? No leak is still happening. Brad and I will need to address on our next visit.

-I was advised that the generator at RHF has a leaking radiator. Can you request a proposal to repair or replace? Mike said the generator guys looked at it when they were out last but it has to get hot before it leaks but they could not determine where exactly it was leaking from. I will contact the generator guys again to see if they can look again.

-South Pond Level – has a visual inspection been done lately? John thought that it looked pretty full and close to overflowing in some areas. Pond level is about a foot below bank.



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 W & S District
Monthly Activities
Feb 23rd – March 20th**

2/23/15: Regular checks and readings.

2/25/15: Regular checks and readings.

2/27/15: Regular checks and readings. Pulled membranes and recorded all numbers.

3/2/15: Regular checks and readings. Rocky Mtn Power Generation (RMPG) onsite. Replaced fuel line and found leak for the coolant gasket on the radiator. Working with RMPG to get leak repaired.

3/4/15: Regular checks and readings. Collected pH readings: Boxelder = 7.64, Rocking Horse = 7.64, Greatrock North = 7.70.

3/6/15: Regular checks and readings. Checked oil and fuel levels in the generators. Checked sulfide smell at John Wyckoff's house didn't notice anything out of the ordinary.

3/9/15: Regular checks and readings. Collected and delivered monthly bacti samples.

3/11/15: Regular checks and readings. Helped ESD isolate plumbing. Completed an emergency locate at: 28570 E 162nd Ct.

3/13/15: Regular checks and readings. Checked the pond level. Changed oil in the tonka flow pump.

3/16/15: Regular checks and readings. Collected and delivered concentration pond samples.

3/18/15: Regular checks and readings.

3/20/15: Regular checks and readings. Locksmith onsite at Boxelder RO building to repair deadbolt lock, Lock was not functioning properly.

Operations Maintenance issues:

- **Pond aerator installation** – *first week of April*
- **Light bulb replacement (inside & outside)** - *all bulbs were fine expect for one exterior light at Rocking Horse that was replaced.*
- **Status of valve box inserts and markers project** – *still in progress*
- **Check valve replaced at BECR, stop leak?** – *No, the leak is still happening. Jeff and Brad will need to address on their next visit*
- **RHF leaking radiator** – *still in progress with Rocky Mountain Power Generation*
- **Sound Pond level** – *Mike Atwood verified that the pond level is at least a foot from running over.*

Feb 18th – March 20th

RO Run Time Hrs	151.20 hrs
RO Concentrate Flow – 1 pond	299,376 gallons

3/17/15 (results not available until next report)

Monthly Testing	TDS(mg/L)	Calcium (mg/L)	Magnesium (mg/L)	Total Hardness(mg/L)
BE	N/A	N/A	N/A	N/A
RHF	N/A	N/A	N/A	N/A
GRN	N/A	N/A	N/A	N/A

Completed Work Order List Report

3/20/2015

Page 1 of 1

Completed	Equipment Number	Task	Priority	WO#	Type
3/16/2015	ALV-1 Well	EDOP Sampling	1	417.01	Scheduled
3/16/2015	ALV-2 Well	EDOP Sampling	1	418.01	Scheduled
3/16/2015	GRN Pump Building	TDS and Hardness	1	459.03	Scheduled
3/16/2015	RHF Building	TDS and Hardness	1	459.02	Scheduled
3/13/2015	BOX RO Pump	Change Oil Change Oil(069)	2	450.01	Scheduled
3/12/2015	Water Sampling	Bacti Bacti Sampling(069)	1	458.01	Scheduled
3/11/2015	Boxelder Pump Buildi	TDS and Hardness	1	459.01	Scheduled
3/11/2015	Water Sampling 011	RADS RADS(069)	1	442.01	Scheduled
3/9/2015	BOX Generator	Ck Fuel Check Fuel Level	5	449.01	Scheduled
3/6/2015	GN Generator	Ck Fuel Check Fuel Level	5	455.01	Scheduled
3/6/2015	RHF Generator	Ck Fuel Check Fuel Level	5	457.01	Scheduled

**GREATROCK NORTH WATER AND SANITATION DISTRICT
ENGINEER'S REPORT
MARCH 24, 2015**

Concentrate Disposal Options

Lisa Johnson and I met with Director's Fleck and Wyckoff in March and discussed the options assessed and the efforts pursued to date. This topic will be discussed in more detail at the April Board meeting, but I will memorialize the options in a brief memo for distribution and future reference.

Curb Stops

The form letter previously drafted has been sent to the Box Elder Creek Ranch residents. On March 20, 2015, Director Lozano informed the District Manager that he had been contacted by a letter recipient (31450 East 167th Avenue) and was going to inspect the meter pit. Director Lozano observed a shut-off valve in the meter pit, but it appears to be the shut-off valve on the meter yoke.

Greatrock North Pump Station Improvements

High Plains Engineering & Design has completed the geotechnical investigation of the pump station site and produced the foundation recommendations. PWSI, Inc. has conducted the topographic survey of the existing improvements on Tract A and provided a preliminary CAD file with the survey. TZA has reviewed the CAD file and presented a few questions to PWSI. TZA Water Engineers has developed preliminary plans for the new pump station and outlined the Project Manual (i.e. contract documents and technical specifications) and will present the updated plans at the April Board meeting.

Reverse Osmosis Condition Assessment

The District has accepted Pure Water Solutions' proposal to inspect the RO unit in greater detail and attempt to calibrate the unit's parameter sensors, including inlet conductivity, permeate conductivity, permeate temperature, inlet pH, inlet oxidation reduction potential (ORP), permeate flow, and concentrate flow. The District's Attorney is considering Pure Water's proposed revisions to the form of Independent Contractor Agreement (ICA). Once the ICA is executed, I will coordinate Pure Water's site visit with Ramey Environmental Compliance. Other items to be discussed with Pure Water while on-site include anti-scalent and dosing procedures, membrane replacement options, change in pre-filters, and back-washable multi-media filtration addition.

LAMP RYNEARSON COMPANIES

Engineer's Report
March 24, 2015
Page Two

Well, Pump, and Motor Replacements

The District has recently initiated efforts to better understand its well infrastructure and the potential need for replacement of pumps and motors, as well as the well structures themselves. As a part of that effort, TZA Water Engineers is working with Bishop-Brogden Associates to compile the historical aspects of the wells constructed, the pumps installed, and any other improvements (i.e. water level measuring devices) integrated at each site. This information will be used to evaluate the benefits of a pump, motor, and well maintenance program to detect changes in well performance. Early detection of deterioration in well performance will allow less expensive repairs, rehabilitation, or treatment procedures in order to maximize production capacity. This preventative maintenance program will be discussed with the District's Manager, and a formal proposal will be brought to the Board if deemed appropriate.

Other Activities

Water Quality and Hardness – Below are tables of water quality data from a series of sampling events:

The total dissolved solids tabulated below show improved water quality as a result of reduced outdoor water usage, the ratio of reverse osmosis permeate to unfiltered water, and the use of certain water sources (i.e. wells). The production ratios on March 22, 2015 were approximately:

- 41% reverse osmosis permeate
- 40% unfiltered Upper Arapahoe well water
- 19% unfiltered alluvial well water (Alluvial Well No. 1)

Total Dissolved Solids (TDS)			
Date	BECR Tanks	RHF Tank	GN Tank
03/11/15	274 mg/l	Sampling Pending	Sampling Pending
02/02/15	350 mg/l	394 mg/l	383 mg/l
01/14/15	350 mg/l	394 mg/l	417 mg/l
12/03/14	417 mg/l	552 mg/l	511 mg/l
10/01/14	538 mg/l	603 mg/l	594 mg/l
07/11/14	565 mg/l	597 mg/l	599 mg/l
03/05/14	586 mg/l	543 mg/l	566 mg/l
01/08/14	553 mg/l	559 mg/l	575 mg/l
10/28/13	677 mg/l	643 mg/l	594 mg/l

Engineer's Report
March 24, 2015
Page Three

The total hardness results tabulated below also reflect improved water quality:

Total Hardness (as CaCO ₃)			
Date	BECR Tanks	RHF Tank	GN Tank
03/11/15	53.7 mg/l	Sampling Pending	Sampling Pending
02/02/15	83.4 mg/l	113.8 mg/l	104.6 mg/l
01/14/15	105.2 mg/l	123.0 mg/l	111.7 mg/l
12/03/14	115.3 mg/l	194.5 mg/l	169.8 mg/l
10/01/14	188.8 mg/l	231.7 mg/l	225.6 mg/l
07/11/14	221.5 mg/l	222.7 mg/l	220.4 mg/l
05/16/14	165.2 mg/l	209.6 mg/l	198.1 mg/l

For comparison, hardness values are generally classified as:

Classification	Mg/l
Soft	0 – 60
Moderately hard	61 – 120
Hard	121 – 180
Very hard	GTE 181

Draft Storage Tank Rule – The Water Quality Control Division has drafted a Storage Tank Rule (<https://docs.google.com/file/d/0B0tmPQ67k3NVUzAyd2dEekt5Tnc/edit>) are now expected to become effective in April of 2016. In addition to quarterly periodic (visual) inspections, this rule will require comprehensive inspections to be scheduled at least every five years.

Warranty Inspections – Ramey Environmental Compliance is tracking the 11-month warranty inspections for the following projects:

- Rocking Horse Farms Pump Station – The warranty inspection was conducted by Jeff Rabas on July 18, 2014.
- Box Elder Creek Ranch Pump Station – The warranty inspection was conducted by Brad Simons on January 26, 2015.
- Rocking Horse Farms Tank Repainting – The improvements were inspected and accepted on June 11, 2014.

Engineer's Report
March 24, 2015
Page Four

Utility Billings and Energy Costs – TZA continues to track the United Power utility bills and associated water operations. Below are monthly comparisons, as well as a summary of the two-month periods for 2014 and 2015.

	January 2014 Billings				January 2015 Billings			
	On Peak	Off Peak	KWH	Billing	On Peak	Off Peak	KWH	Billing
Alluvial	2341		2341	\$277.72	2185		2185	\$260.28
BECR	2960	12400	15360	\$1,108.54	2880	12280	15160	\$1,197.57
GN	1160	4280	5440	\$435.45	1240	4920	6160	\$516.66
RHF	720	1680	2400	\$226.87	640	1560	2200	\$213.20
		Totals	25541	\$2,048.58		Totals	25705	\$2,187.71

The 2015 billings for January are 106.8% of the 2014 billings for the similar period. This increase can largely be attributed to the increase in the CTD2 rate from \$0.049 per KWH to \$0.05858 per KWH.

	February 2014 Billings				February 2015 Billings			
	On Peak	Off Peak	KWH	Billing	On Peak	Off Peak	KWH	Billing
Alluvial	1972		1972	\$236.47	1842		1842	\$221.94
BECR	2920	11480	14400	\$1,057.09	2480	11200	13680	\$1,070.67
GN	1080	4080	5160	\$412.92	1080	4440	5520	\$463.10
RHF	640	1560	2200	\$208.26	600	1520	2120	\$204.50
		Totals	23732	\$1,914.74		Totals	23162	\$1,960.21

The 2015 billings for February are 102.4% of the 2014 billings for the similar period. This increase can largely be attributed to the increase in the CTD2 rate from \$0.049 per KWH to \$0.05858 per KWH.

	YTD 2014 Billings (2 months)				YTD 2015 Billings (2 months)			
	On Peak	Off Peak	KWH	Billing	On Peak	Off Peak	KWH	Billing
Alluvial	4313		4313	\$514.19	4027		4027	\$482.22
BECR	5880	23880	29760	\$2,165.63	5360	23480	28840	\$2,268.24
GN	2240	8360	10600	\$848.37	2320	9360	11680	\$979.76
RHF	1360	3240	4600	\$435.13	1240	3080	4320	\$417.70
		Totals	49273	\$3,963.32		Totals	48867	\$4,147.92

The 2015 year-to-date billings are 104.7% of the 2014 billings for the similar period. This increase can largely be attributed to the increase in the CTD2 rate from \$0.049 per KWH to \$0.05858 per KWH.

Engineer's Report
March 24, 2015
Page Five

Greatrock North Flow Meter – TZA Water Engineers is supporting Ramey Environmental Compliance with the procurement of a magnetic flow meters to replace the suspect and/or failed meters at the Greatrock North water facilities.

Quarterly Operations Review – TZA Water Engineers will continue to participate in the Quarterly Operations Reviews at the request of the District Manager. Action items from the January 26, 2015 meeting are highlighted below:

- 1) Discuss service matters with Timber Line Electric and Control Corporation since Anthony's departure.
- 2) Confirm curb stop specifications and communicate to the group. Recommendations communicated to District Manager via e-mail on January 27, 2015.
- 3) Contact Pure Water Solutions to request quote to calibrate Thornton display and RO probes, etc. Pure Water Solutions presented a proposal to the District on February 20, 2015 which was forwarded to the District Manager via e-mail on the same date. Pure Water Solutions has requested modifications to the form of Independent Contractor Agreement that are being reviewed by District Counsel.

The Second Quarter Operations Review is scheduled for April 27, 2015.

Box Elder Creek Ranch Water Company – TZA has been asked to determine the justifiable costs to be charged to the Box Elder Creek Ranch Water Company should the Water Company exercise its option to lease Laramie-Fox Hills water for 2015.