MEMORANDUM

BBA water consultants

BISHOP-BROGDEN ASSOCIATES, INC.

To: Lisa Johnson
From: Chris Sanchez
Subject: Greatrock North Water and Sanitation District
Job: 0908.00
Date: February 24, 2014

This memo presents our proposed scope of work to assist the District with a planning document and strategy intended to guide the District in its acquisition of renewable water supplies. As we discussed, a plan is needed to focus water rights acquisitions towards a small grouping of water rights that can be efficiently changed through the court process and used as part of a water rights augmentation plan. The objectives of the scope of work are stated below:

Objectives:

- Provide guidelines for the District for the acquisition of renewable water supplies, to provide for its current and future water demands.
- Provide the District with a document that can be provided to developers or entities seeking inclusion in the District to direct them to the types of water rights that the District requires for new inclusions.
- Investigate potential to sell current or future excess supplies.

Scope:

<u>Renewable Water Supply</u>

1. Update 2011 long-term augmentation water supply alternatives memo.
    a. Identify water supplies that may not have been available at the time of our 2011 effort, comment on changes in the marketplace since that analysis was completed.
    b. Identify a prioritized list of favorable water supplies in the Box Elder and South Platte Basins.
        i. Water supplies that can be purchased over time by Greatrock
        ii. Water supplies that developers can purchase and dedicate to the District
        iii. Water supplies that can be efficiently delivered or exchanged to replace depletions at the District.
    c. Interview individuals familiar with water supplies in these areas. These individuals include:
        i. Walraven Ketellapper
        ii. Bob Lembke
        iii. Steve Jansen (Henrylyn Irrigation District)
2. Estimate future water demands for the District and an estimate of depletions that may need to be replaced for various water use scenarios.
3. Attend two Board work sessions.
4. Identify preferred alternative water supplies based on Board input.
5. Estimated range of water storage volume necessary for year round augmentation supply for selected water rights.
6. Prepare memorandum with recommendations for renewable augmentation water supply acquisitions.

7. Prepare a second version of this memo intended for distribution to developers.

Renewable Water Supply

1. Investigate potential to sell excess supplies to oil & gas development or other water users.
    a. Interview individuals familiar with these types of water supplies in these areas.
2. Prepare memo summarizing findings.

Budget:

We estimate the scope of work described above can be completed for approximately $8,500, which includes our attendance at the two Board work sessions.