

Lance Goodman says there was a couple service leaks that have been taken care of. There is also a leak from the line going out to EW-4 to the plant on a bell joint. It is coming out of the gasket. Floyd's had a bell repair clamp but the bolts were a bit short. Repair should not take longer than a day. Amina asks how bad the leak is and Lance says it is a steady drip. There's a couple of other spots that look like they might have the same issue going on. Letter and pictures have been sent to the State for the extension given October 1st to complete Sanitary Survey. Have not heard anything back yet. Started putting in the items for the NV Recover, each one has to be a different deal and will take a little bit. Lance says he did pass his Treatment 1 and has to be an OIT (Operator in Training) for 6 months then can do a full. Albert had a follow up question from the town meeting of getting a list of all the viable meters. Lance said it could be just going through old billing or going out and marking during the next meter reads. Albert said that if we look at the old billing, we can start a list of them. Teresa mentions that there is a list that Rob had on the computer and also the Inhance has old accounts that weren't active and weren't transferred over to the new system. Albert said getting it all on a spreadsheet we can manipulate the data for a lot of uses. Franks says that we could also keep a running tally of anything that could be a liability. Something to have with all the general information.

7. FOR POSSIBLE ACTION – Discussion, Deliberation and Possible Decision on approving quote from Gen-Tech of \$7341.00 for repairs on 3 backup generators and all matters pertaining thereto.

Jeannie begins with saying that she believes are for the other generators. Last time it was for out at the sewer ponds. Lance says it is for the sewer ponds; the front seal was leaking. The block heater was for the Water Treatment Plant and the radiator was for the Booster. Motion by Jeannie Ybarra to approve the quotes, 2nd by Albert Verrilli. 4 yeas.

8. FOR POSSIBLE ACTION – Discussion, Deliberation and Possible Decision on approving quote from McCrometer of \$6134 for replacement of the influent wastewater meter and all matters pertaining thereto.

Jeannie asks if the cost is because the part is discontinued? Lance tells her the one we have is discontinued. The only problem with it and they just don't make it anymore, is the display. It has the totalizer that we use for the State reports. With it going out we have to

get a whole new set. Jeannie Ybarra motions to approve the purchase of the McCrometer for \$6134, 2nd by Albert Verrilli. 4 yeas.

9. FOR POSSIBLE ACTION – Discussion, Deliberation, and Possible Decision on the lease agreement with Corvus Gold for temporary leasing of District Water Rights.

Amina says this is draft #7. Jeannie asks if this is the final? Amina replies with saying it is. Albert says he has a large question about it. He says that Corvus is now merged and we are signing a contract with Corvus but is merging and being taken over by Augusta Gold, seems there is a disconnect. Frank says they answered that. Amina asks Mike Young if he would like to touch base on it again. Mike tells Albert that they are still in the process of everything and that he went to Augusta directly to talk about that and was told Corvus Gold will still be its own company, the owner would be different. Corvus Gold Nevada Inc will still exist post closure of the transaction. Any transfer language basically is covered in the agreement under that scenario, but it cannot be transferred from Corvus to Coeur or any other company. Albert said he is fine with the transfer of that but we were promised certain things and data and whoever is in charge of that day-to-day stuff, we need to make sure all our Is are dotted and Ts are crossed cause if something happens and for some reason it has to be interrupted, I don't think that'll be the case, but we have to know our authority and with whom we have the agreement. If that can be simplified and some summaries, I personally would like to go ahead with that. Amina yes, they do cover that in the agreement. Jeannie says she thinks they have jumped through hoops for what we have asked for and was okay with the last agreement. Jeannie motions to sign version 7... Frank asks if there's any comments. Karl Olsen asks what version 7 is. Jeannie goes into detail of the changes, final changes with some of the wording and questions about the extension of lease, any problems or drawdowns where it can be stopped. Jeannie mentions that Beatty Water's attorney did review the previous one and said the wording looked good. Albert was happy to hear that it has been looked at and reviewed. Kevin Emmerick asks where they are going to do the pumping and how much water, he heard it was up North. Jeannie says the max they pump is 125 acre-ft a year. They feel that's high and don't believe it going to take that long. That it should be around 20 days. There's a map of the area. Kevin asks if this is a test if they are going to be going into the other basin? Frank responds with saying that it is for dewatering and it

will be where their pit is located in Yellowjacket. Mike says correct, they are 8 miles North of Beatty on 95 and the existing well is approximately a mile West of the highway. Kevin asks if they are getting permits? Jeannie says it's all being permitted and everything has to be permitted through the State. Kevin asks if anybody is worried that this is going to bring the water level down. Jeannie says there is always that concern and the wells ... Kevin interrupts and says he is very worried about it. He says its Corvus Gold and they have a goal and that is to mine; they're not worried about us and that seems like a lot of water. He asks if we can go to the State and ask if they can open it up to more public comment? Frank says that is why they put it in the agreement that if we begin to see a major drawdown and see that it is affecting our well outside of town, we can stop it. Jeannie mentions that most of the water comes from EW-4 and that the other two are our good wells that we use for blending. She says she doesn't think there is going to be an effect that they we can see within the town with the long-term effect. Kevin says the town district goes way up there, so they are part of the town too. Jeannie said right, you are part of Beatty just not part of Beatty Water and Sanitation. Karl says that he did some reading and they have two wells and one is a monitoring well to see the water drawdown, so if all of a sudden, they start dropping they're going to see it first before Indian Springs. Jeannie said correct and they also have sounders to see when it starts. Kevin asks who monitors for our wells? Lance said the reads are done once a month, but he already spoke with Andy and Jeremy and every Tuesday when they do the weekly reads, they will go ahead and sound them. Karl asked this agreement is different and has nothing to do with the 10 rights they are trying to move? Jeannie said correct. Karl mentions again his comment is not meant to be controversial, but when they make an agreement like this, I couldn't believe what they are charging in California, Colorado, Idaho, I couldn't find much on Nevada, but they are getting really good money far above the \$60,000 for that many acre-ft. Lance said that from what he looked at, that price is way lower, the price that they charge in other states is way lower than what they want to give us. From what I could tell it was pretty fair. Jeannie says what we are also getting out of it is all the information from their hydrologists from the wells they are doing the studies at. There's also been talk about possibly having the wells handed over to us when they are done. Amina asks Mike if her understanding is correct, that it is 750 gal./min. 24

hours/day for 5-20 days. Mike said correct. They have been working with the hydrologist on what time flowrate and timeframe would look like and as of right now the plan is to extract 75 acre-ft from each well from two different tests. They would like to see it go as long as 28 days with a lower rate. We looked at going at a higher rate but are having a hard time finding a pump that could get us up to those higher flowrates. The last conversation I had with them we were looking at 600 gal./day for 28 days. We fell back from the rate and extended on the length to extract the same amount of water. Jeannie said it's not a complete loss of water, isn't there a recapture on it? Mike said it will be allowed to infiltrate into the alluvium. When we did the previous test, we monitored that to see how far the water would flow out before it disappeared. Of course, there is evaporation but with the one test we did see at 300 gal/min it didn't go far into the alluvium before it was gone. A good portion will go back into the ground, but at this time of year likely this is going to happen I'm hoping in December could go into January. Not as much evaporation. Kevin asked if someone could explain what they are doing? Frank explains as to what Corvus is doing. There is conversation back and forth between public and board. Laura Cunningham asks if she could see a map of the area and that her ranch is one of the closest to the area. Amina tells Mike there are concerns about their domestic wells outside of town being impacted before our municipal wells. Laura said they have a spring they get their water from. Kevin says they actually asked to test their well and they said no. Amina asks if there is a way to address that? Mike said they would be happy to monitor anyone's well if it's in the vicinity of where the pump test is; if they could get permission of the owner. It's obviously more data for us. The hydrologists don't believe it's going to be very far at all, but until we do the test we don't know. The data we collect from this test is specifically used for the ground water model that we put together as part of the base line data collection and to support permitting. One of the key things is to know if pumping this water affects and how it affects the ground water system. Before we go and open up a mine, we need to know the answers ahead of time. Kevin said what if you're doing a test and hypothetically it doesn't rewater? Do bring water elsewhere? Do you bring massive water trucks to start recharging the aquifer? Sounds a little risky to me. How do you fix that? (There is too much noise to hear what Mike said in the beginning.) Mike continues with saying that as we go down the road, we got to have

water rights to extract water, it's the law in Nevada, this step here is getting a water right so we can test and see what we can find out. When we do that test, we will be able to answer all those questions that you are asking, we are trying to get to that same answer. Erika asks if the test will tell us what the recharge is as well? Mike says yes it will, that is the data we should be able to get from this test. Conversation breaks out about how at first it was water from Sarcobatus and now it's Oasis Valley. Kevin said the state does not know about Corvus wanting to do these tests and that Mark Buetner does not know about it. Amina said that he knows, there has been multiple correspondence. Kevin said how long ago did he know? When he spoke to him, he didn't know and there should be some kind of knowledge about it with the state. Amina said she doesn't think the state would actually know about it unless the permit actually crossed their desk if that makes sense. Jeannie said and they can't get their permitting until they get their approval from us. She goes onto say she feels comfortable because they don't have to wait the 30 days if something happens to stop it and we are going to be checking it weekly now. Kevin said he's worried that soaking back through the alluvium, is that really going to make it back into the aquafer? Just dumping into the ground doesn't necessarily put it back into the aquafer. Karl said is there a way to measure it? Somewhere there should be a way to check. We haven't had a significant amount of recharge in a while. All these things should be taken into consideration and it's not stopping the mine, maybe it's they don't go the way they going to go and a lot of people around town, they keep comparing it to Barrick and this isn't Barrick. This makes Barrick look like a mouse hole compared to what these guys are going to do, so we can't go back and say this worked with Barrick. A lot of things have changed since then, that's 21 years ago. Everybody should kind of be concerned that this is going to work. Instead of a 5x3 mile pit they only do a 2x1 mile, whatever is feasible to mine that will keep our complete aquafer intact. Jeannie says she doesn't feel great about it, but most of the water comes from EW-4, yes the water up there is very valuable to us but I mean at this point we already agreed to do the deal and they have made all the changes to the agreement we have. The only thing we can do it monitor it and see that nothing happens. Laura says if she can come to us if something starts happening to their spring to get it to stop. Jeannie said yea, they also said they would monitor your spring to make sure there isn't a drawdown. Kevin goes to say they

don't trust Corvus and want a third party. Frank comments in and says they have a social contract to operate, they don't want to drain your springs and wells, they don't want that to happen, that is a negative implication for them and that will affect them negatively in the permitting so they want to be a good neighbor. There is no benefit to them to affect your water. Kevin says he's worried because mines like these hire very good lawyers, how do we know the lawyer isn't going to come back and say the drawdown is due to natural drought. He has seen this happen a lot with corporations and would encourage the board to be weary and get a third party. He begins to talk about the history of Corvus. Jeannie said for your well if you want to have a third party come in and monitor it you can do that. If you see any kind of drawdown, you can call Corvus directly and speak to them, but there isn't much we can do for that. Frank says that the contract reads our (Beatty Water) wells. Lance says the permits are attached to Well 2 and 3. Jeannie asks Mike about the permits on Exhibit A. Mike said those are the two water rights permits that have an excess amount of water assigned to them that is not being used and so when I went through your water rights those two have more than enough to temporarily change point of diversion on and of course revert back when we are done. Laura asked if these weekly readings will be posted? Jeannie said they will be updated at the board meeting but they could ask Corvus if they can post. Laura said well, they should be posted publicly they ranches up there are the ones whose going to be impacted. Mike said yes, we would be happy to work with anybody that is interested obviously. So, when we do the test we monitor continuously, so I know Lance talked to the guys about doing it weekly and we might want to help you guys do it more than weekly since it is for a short period of time. Anything we see is changing we would like to know right away. If it takes more effort for your guys, we will find a way to compensate for that. We can find a way to post the data daily or every couple of days and we can post at the Beatty Water District office. Jeannie says she has a motion on the table, Frank Jarvis 2nd. Albert asked if we could restate the motion. Motion by Jeannie Ybarra to sign the agreement after all the changes made (Version 7). Amina says she thinks we should have the springs monitored out there and she would hate to be the cause of someone's loss. Jeannie said yes, but they don't want them (Corvus) on their property though. Amina said like Crystal Springs. Karl said that when they looked at the map, Crystal Springs would be a good one to monitor. Frank

said that might be something that happens through the state because we are leasing water rights. 4 yeas.

10. FOR POSSIBLE ACTION – Discussion, Deliberation, and Possible Decision on approving of the insertion of Neighbor-to-Neighbor Flyer into the next set of water bills going out.

Jeannie said Dee Bryan had reached out asking if we could possibly insert their file in our next billing. The reason I feel like this would benefit us is, what it is, is they are working with Corvus, Ashanti and the VFW with Neighbor-to-Neighbor to do a clean up on November 6th and wanted to know if they could put these in our next water bills that go out and since we have a lot of people with junk in the alley ways on top of meters this could be beneficial to the water company. It's not going to cost us any extra money, they're going to supply the flier and they will just go out with the bills. Frank asks if there are any issues? Teresa and Lance say there isn't any. Frank asks where do we draw the line? I have no issue with this as long as it's non-profit and beneficial to the community and government related, does that sound reasonable? Everyone agreed. Motion by Jeannie Ybarra to agree to insert flier at our next billing, 2nd by Frank Jarvis. 4 yeas.

11. BOARD MEMBER REPORTS/COMMENTS – General information and updates from board members. Announcements or topics / issues proposed for future workshops and agendas. No action will be taken by the Board.

Frank Jarvis apologizes for missing the last board meeting. He also is on the VEA board and ran long.

12. FOR POSSIBLE ACTION – Schedule next Board of Trustees meeting date and time.

Scheduled for November 17, 2021 @ 5:00 pm.

13. GENERAL PUBLIC COMMENT – Three-minute time limit per person for matters both on and off the agenda. No action will be taken by the Board.

Karl Olson says he would like to thank the Board for taking in all the input and giving it a lot of thought because it all is pretty important.

Dee Crawford says she will like to say thank you and hopefully a lot of people respond.

Erika Gerling says they plan on talking about the clean-up and the workshop and thanks the Board.

Mike Young asks who the individuals were asking questions. He wants to make sure he follows up with everyone. The Board informs him it was Karl Olsen, Kevin Emmerich and Laura Cunningham. Mike also wanted to clarify that all the processed water is coming from Sacrobatus. He wants to the Board of Beatty Water and Sanitation for going forward with this and having the confidence in them and working with them. He also confirms where to send the check to.

14. ADJOURNMENT –

Motion to adjourn at 6:11 pm by Frank Jarvis, 2nd by Jeannie Ybarra. 4 yeas.

Name: _____ Date: October 18, 2021

Signature Approval of the Minutes

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