To: Jerald Schnabel From: Paul Kos

Continental Materials Corp. Denver, CO 80222

File: September 2021 Monitoring Summary Date: October 31, 2021

Reference: September 2021 Geotechnical Monitoring Summary Pikeview Quarry

1.0 INTRODUCTION

Stantec Consulting Services Inc. (Stantec) has prepared this September 2021 Geotechnical Monitoring Summary for the Pikeview Quarry. The Pikeview Quarry is situated along the foothills of the Rocky Mountains, northwest of Colorado Springs, Colorado. Continental Materials Corp. operates the quarry, which is currently closed, pending reclamation. A geotechnical monitoring program was established to monitor reclamation activities which will affect the geotechnical performance of the existing and reclaimed slopes during and following reclamation grading. This report presents the geotechnical monitoring results for the slope reclamation activities at the site through the month of September 2021.

It is important to note that activities at the Pikeview Quarry are focused on preparation for reclamation construction. This includes coordinating with contractors, importing fill, preparing growth medium, preparing riprap, and site maintenance; no fill is being placed on the slopes. Continuous monitoring by the robotic survey system began in 2010 and has continued through the month of September 2021 uninterrupted. Visual inspections of the slopes were performed by Stantec engineers.

1.1 PURPOSE

The purpose of this report is to summarize the September 2021 geotechnical monitoring results and verify the geotechnical performance of the existing and reclaimed slopes with respect to the historical performance record. The goals of the geotechnical instrumentation monitoring program can be described as:

- Meet corporate risk management requirements,
- Provide ongoing slope monitoring and advance warning of any changed conditions that could pose a hazard to workers or to the public,
- Document the geotechnical performance of the slope, and
- Document monthly site grading activities and construction quality assurance.

1.2 MONITORING SUMMARY

Major components of the instrumentation monitoring program are listed in Table 1 and shown on Figure 1.

Table 1 Monitoring Frequency

Monitoring Type	Frequency
Visual inspection	Daily/Monthly
Robotic theodolite/prism	Continuous
Drone inspection	Monthly



Compaction testing	Every 5,000 yd3 (min.)

2.0 VISUAL INSPECTIONS

Inspections are completed daily by site personnel and monthly by Stantec personnel to document visual observations of slope conditions, including conditions of instability (i.e., cracking, slumping, over-steepened slopes, seeps, perched boulders, rock falls, erosion, and areas undercut by construction or maintenance activities). Certain areas of the landslide have been designated as safety exclusion zones, and these areas are inspected from adjacent locations.

When present, site operators inspect their work areas for signs of instability on a daily basis before starting work per site safety rules and regulations. The limited work performed in September 2021 resulted in the operator visual inspections being limited to stockpiles.

Stantec conducted visual inspections of the Pikeview Quarry slopes on September 14, 2021. The engineering inspections were conducted by traversing each area of the mine and observing the uphill slope and the downhill slope for signs of instability, and areas in need of maintenance. Slopes that have been graded and are 2 horizontal (H):1 vertical (V) or shallower are also traversed on foot. The findings are listed below, and photographs of notable observations are included on Figure 2 in Appendix A.

- Growth Medium: Mulch and soil are being processed on the production floor to produce growth medium (Photo 1).
- Healed Cracks: Older cracks and recent cracks are being monitored for changes. Currently the cracks are not growing in any of the areas of concern on the slopes of the site.
- Crack Free: No cracking was observed on the native granite slopes above the extents of the disturbed area. The hummocky field in the area immediately above the southern extent of the slide shows evidence of cracking but they are not fresh or active. No new or open cracks were found immediately inside or next to the slide area.
- Previously Observed Cracks: Previously observed tension cracks remain on the production floor and at the crest of fill slopes. These cracks were observed following the period of heavy rain. The cracks are not believed to be a problem, they are likely due to the recent heavy rain saturating the area (Photo 2).
- Small boulders are occasionally breaking off from the rock face just above the production floor and rolling onto the ground. Prisms P63 and TOE3 monitor for slope movements in this area (Photo 3).
- The culvert remains cleared but mostly blocked inside. CMC has partially cleared the debris, but access limitations and supports within the culvert inhibit clearing all the debris. CMC has procured a pump and will begin pumping operations if any water collects behind the culvert. CMC inspects the culvert for ponded water following rain events, and should any water be observed, it will be removed using pumps. To date, no ponding has been observed (Photo 5).
- The Pond below the Middle Peak remains partially filled and there are plans for a notch to be added to the pond's berm to keep the water level from exceeding a specific level (Photo 6).
- Weed killer has been applied to all areas that had weed growth, overall, the spray appears effective at killing most of the weeds on site (Photo 7).
- Prisms: Several prisms were passed along the walking route and appeared to be in their original position
 and operating normally. Control points and most of the monitoring points are permanently cemented into
 the ground while some of the monitoring points are cemented into 5-gal buckets to be portable as
 needed.



- Fill: Stockpiling of fill, topsoil, and growth medium continues (Photo 4). There are several locations for the material as it is being processed (Photo 8).
- Eroded material has collected below the culvert.
- Visual inspections of the Pikeview Quarry did not reveal any evidence of large-scale instability outside of the landslide areas previously identified. No bulging, rippling, over-steepening, depressions, slumps, or dry slip-offs were observed in areas that have been graded and/or reclaimed.

The site has experienced a wet Winter and Spring, and the additional moisture is likely contributing to the settling and cracking. According to the National Weather Service, Colorado Springs has received 145% of normal precipitation in Spring, and 184% of the normal snowfall in Winter 2020-2021. Colorado Springs received 21.7 inches of snow though Spring, which is 9.9 inches above normal. Colorado Springs received 6.13 inches of precipitation though Spring, which is 1.90 inches above normal. https://www.weather.gov/pub/climate2021SpringReviewSummerPreview

3.0 PRISM SURVEY

A Leica Robotic station is used to continuously survey the prisms onsite to document slope movements. The station records the location of each prism every four hours. There are currently 20 prisms; 3 prisms are control points located outside the slope movement area, 13 prisms are located on the slopes surrounding the landslide area, and 4 prisms are located at the toe of the landslide. As the slope is backfilled and graded, additional prisms will be installed. The existing prism locations are shown on the current topography in Figure 3, and the proposed prism locations are shown on the reclamation topography in Figure 4. Both figures are included in Appendix B.

The monitoring software, GeoMos, has been programed to provide automatic alarms if there is a movement recorded that is greater than 0.35 feet or if a prism cannot be located. The alarm notes and actions taken are logged, and the alarms are summarized in Table 2. Following each alarm, CMC clears the area of concern until the data can be reviewed and the slope can be inspected. On September 3, heavy rain caused a brief pause in the connection to the prisms. On September 16, an excavator parked between the prism and the total station blocked the signal causing prism TOE3 to not be found. Site personnel have been instructed to be aware of the prism system when parking equipment. On September 18 ,Prisms P69, P33 and NP2 were stolen and Prism CP3 was vandalized. This occurred over a weekend, and once the issue was identified, the prisms were promptly repaired or replaced. Readings resumed either on September 20 or 23. From September 23 through 29, monitoring was accidentally stopped. It is believed that the error occurred while reconnecting to Prism NP2. Once the issue was recognized, then the monitoring was resumed. No work on the slope occurring during this period, and improved operational controls for identifying and evaluating alerts have been established. On September 29 and 30 multiple prisms could not be found due to weather. CMC made sure that there were no workers in the area before inspecting the slope. All other alarms were determined to be caused by rain.

Table 2 Alarm Summary

Date(s)	Alarm	Cause/Actions taken	Issue Resolved
09/03/2021	All prisms could not be found on multiple scans	Heavy rain	09/03/2021
09/16/2021	Prism TOE3 not found	Excavator moved	09/16/2021



09/18/2021- 09/20/2021	P69, P33 stolen	Prism replaced	09/20/2021
09/18/2021- 09/20/2021	CP3 Vandalized	Prism repaired	09/20/2021
09/18/2021- 09/23/2021	NP2 stolen	Prism replaced	09/23/2021
09/23/2021- 09/29/2021	Monitoring temporarily stopped by accident then resumed	Monitoring resumed once issue was identified.	09/29/2021
09/29/2021- 09/30/2021	All prisms could not be found on multiple scans	Monitoring stopped due to temporary weather event	09/30/2021

The prism monitoring results for transverse and height displacements, monthly change, and cumulative change are summarized in Table 3 below. The transverse displacement measures the change in the horizontal distance from the robotic station to the prism; positive displacements indicate less distance between the station and prism (movement towards the total station). The height displacement measures the change in the vertical distance from the robotic station to the prism; positive displacements indicate upward movement. The values for the last reading in the month are included in Table 3. The monthly delta is the most recent reading cumulative delta displacement (horizontal, lateral, and vertical) subtracted from the last reading from the previous month. The cumulative delta values are a total displacement and are not associated with a direction. The transverse, height, and cumulative delta displacements are the total displacement over the life of the monitoring, which has been several years for all the prisms except P69. Prism P69 was moved on June 20, 2020, and the displacements included in Table 3 are the displacements since that date. According to Leica documentation, the survey accuracy is +/-4 mm+1.5 ppm for prisms located greater than 500m from the station; these equates to an accuracy of +/-0.016 ft.

The data show stable conditions with no movement for 16 of 20 prisms with recorded displacements limited to data scatter and not actual movements. Prisms P63, TOE2, and TOE3 are located at the toe of the landslide, and these locations showed slope creep movements at slow velocities (approximately 0.001 feet per day or less). Prism NP66 is located above the landslide, and this prism also recorded slope creep movements at slow velocity. This settlement is likely related to the increased moisture causing the landslide material to consolidate. Plots of the transverse and height displacements for each prism are included in Appendix B.



Table 3 Prism Summary

Prism ID	Cumulative Transverse Displacement (ft)	Cumulative Height Displacement (ft)	Monthly Delta (ft)	Cumulative Delta (ft)	Notes / Recommendations
CP1	-0.001	-0.037	0.0142	0.0379	
CP2	-0.067	-0.017	-0.0020	0.4178	
CP3	0.289	-0.235	0.0137	0.3756	Prism vandalized then repaired
NP1	0.300	-0.315	0.0390	0.4350	
NP2	0.050	-0.095	0.0069	0.1502	Prism was stolen and replaced
NP66	0.476	-0.625	0.0682	0.9270	Slope creep movements
P1	0.334	-0.089	-0.0161	0.3477	
P2	0.145	-0.054	-0.0181	0.2204	
P25	-0.025	0.012	-0.0002	0.1496	
P32	-0.085	-0.107	0.0199	0.2911	
P33	-0.104	-0.083	-0.0008	0.2104	Prism was stolen and replaced
P35	0.019	-0.206	-0.0073	0.4548	
P4	0.361	-0.153	-0.0139	0.4901	
P5	0.393	-0.163	-0.0184	0.6237	
P63	15.546	-6.376	0.0600	16.8030	Slope creep movements
P69	-0.011	-0.085	-0.0658	2.0368	Prism was stolen and replaced
P70	0.345	-0.332	-0.0040	0.6094	
TOE1	0.148	0.013	-0.0159	0.1630	
TOE2	0.637	-0.666	0.0382	0.9620	Slope creep movements
TOE3	1.992	-0.922	0.1092	2.3225	Slope creep movements



4.0 DRONE SURVEY

The site was flown for aerial imagery using an unmanned aircraft system (UAS or 'drone') on, September 13, 2021. The imagery was inspected for signs of instability and used to supplement the onsite visual inspections. Features noted in the aerial imagery review were inspected during Stantec's engineering inspection and are summarized in Section 2 above. The imagery was also used to create site topography.

The August topography was also compared to the September topography to identify changes in the site topography. Comparison of the two surveys showed that approximately 9800 yd³ of fill had been imported and temporarily placed. Much of the imported fill was topsoil, and it was added to the growth media pile. No slope movements or other changes in topography were identified. The current imagery and topography are included in Figures 1 and 3, and the comparison surface is included as Figure 5 in Appendix C.

As previously reported in the September 2020 monitoring report, there are limitations with the method of comparing drone surveys from different months. The drone data indicate changes in the slopes along each of the reclamation benches, buildings, and areas with trees or shrubs. These areas are stable, and the changes are the result of survey limitations on or near vertical slopes.

5.0 COMPACTION TESTING

No fill was permanently placed at the quarry in September. Once fill placement starts, the fill will be placed in one-foot lifts, moisture conditioned as necessary, and compacted. Compaction testing will commence at the rate of at least one test per 5,000 yd³ placed.

Per CMC, imported material is being stockpiled onsite for placement at a later date. The material will be tested for compaction level and areas failing compaction testing will either be further compacted until the specification is met or removed and replaced in a compacted manner.

6.0 RECLAMATION PROGRESS

CMC is actively working towards reclaiming the Pikeview Quarry and has contracted with Stantec to provide EPCM services through completion. As an updated feature of our monthly report, we will provide progress of activities, anticipated milestone schedule and a one month look ahead to better communicate project objectives. A phased or 'gated" approach will be used to complete the reclamation process going forward (See milestone schedule below)

- Phase 1 Value Engineering and issue RFP to qualified Contractors
- Phase 2 Commercial negotiations with successful contractor
- Phase 3 Execution planning and Contractor readiness review
- Phase 4 Site Construction execution
- Phase 5 Final revegetation (season 2)

Task/Milestone	Estimated Dates
Phase 1 – Issue RFP to Bidders	Completed June 2021
Phase 1 – RFP Evaluation & Recommendation	Completed July 2021
Phase 2 – Constructor Contract Award	November 2021



Task/Milestone	Estimated Dates
Phase 3 – Project Kick-off with successful Contractor	November 2021
Phase 4 – Contractor Mobilization to Site	December 2021
Phase 4 – Contractor Demobilize from Site	End 2022
Phase 5 – Final Revegetation season 2 Begins	2022 until acceptance

Progress of activities this month:

- Continue negotiations with preferred contractors
- Importing fill material continued
- Geotechnical monitoring continued
- Processing of Growth Medium for use as topsoil continued
- Removal of site debris continued. Materials, equipment, and debris onsite are being removed to prepare the site for the reclamation contractor.

Work planned for next month includes:

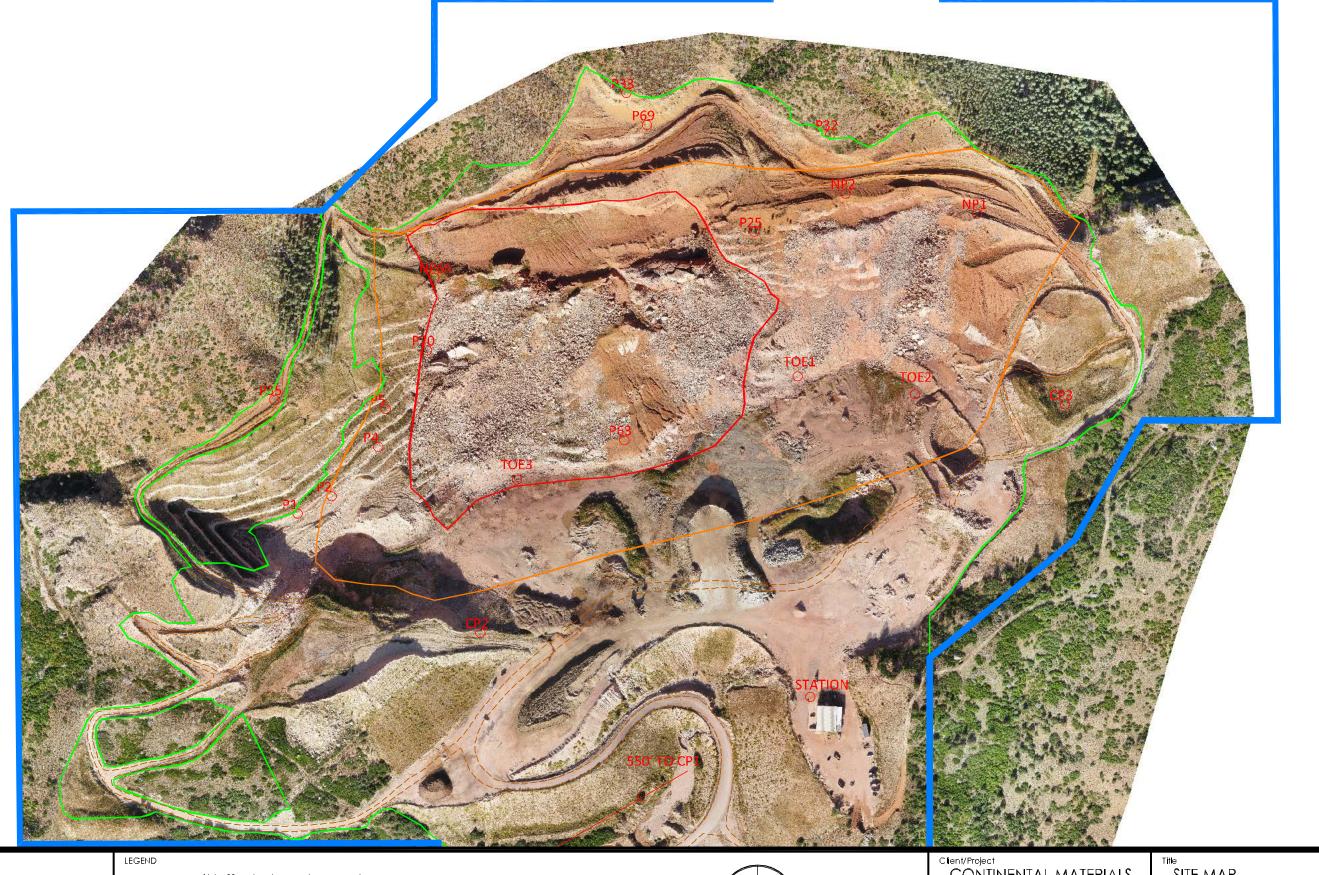
- Finalize negotiations with preferred contractors
- Continue importing fill material
- Continue geotechnical monitoring
- Continue processing of Growth Medium
- Begin processing of riprap
- · Continue to remove site debris

7.0 CONCLUSIONS

None of the data collected in September 2021 indicate evidence of any large-scale movements that increase risk to workers or to the public. The landslide area continues to show slope creep movements with slow velocities. Movements attributed to heavy rain were recorded at the toe of the slope, but these movements were not repeated. Shallow surface erosion continues to occur requiring ongoing maintenance and cleanup.

- Increased precipitation results in slight increases in settlement, cracking, and movements, which is
 consistent with the understanding of site conditions.
- Restricted access to the ungraded landslide slopes should continue.
- All monitoring should continue at current frequencies.
- All alarms shall continue to be taken seriously even if data errors are suspected.





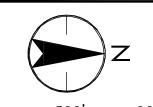


Stanted Consulting Services Inc. 2000 South Colorado Boulevard Suile 2-300 Deriver CO 80222-7933 Tel: (303) 758-4058 www.stanted.com

 Permit/Affected Lands Boundary Proposed Disturbance Limit

Landslide ExtentButtress Fill Extent Existing Prism

Proposed Prism



CONTINENTAL MATERIALS CORP. PIKEVIEW QUARRY SLOPE MONITORING

Project No. 227**4**1904**1**

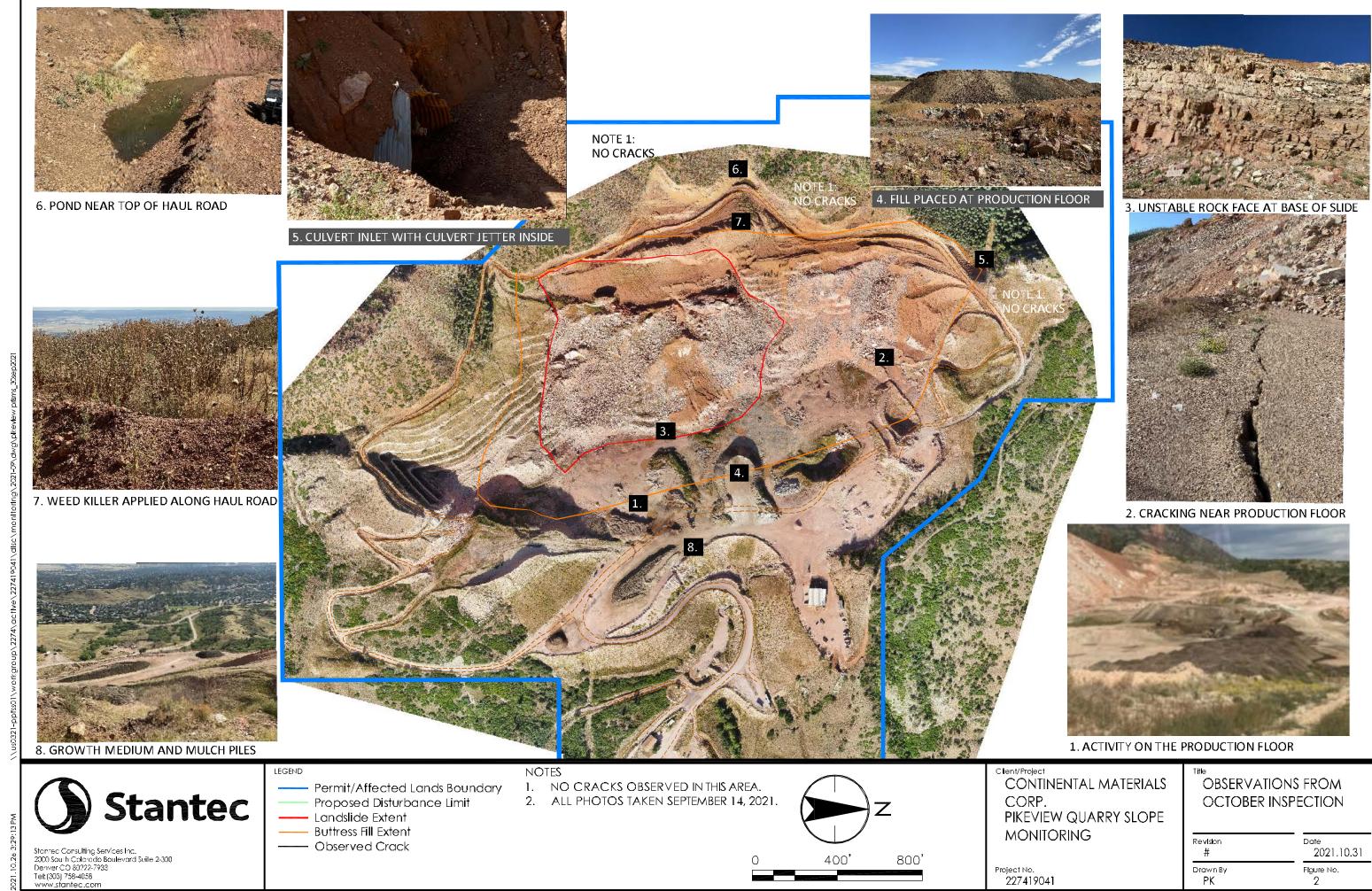
SITE MAP

Date 2021.10.31 Revision Drawn By PK Figure No.

Appendix A

Visual Inspections



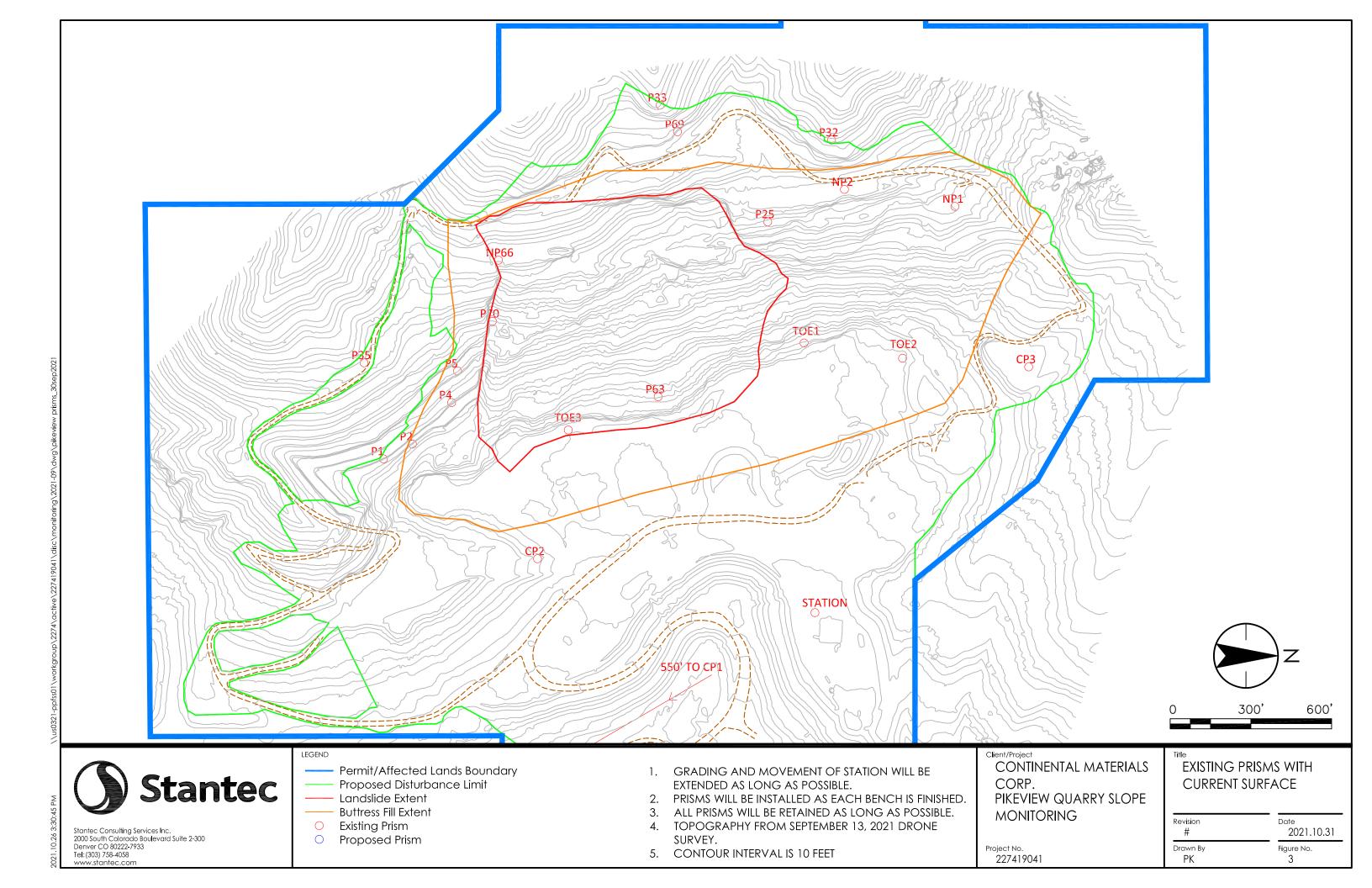


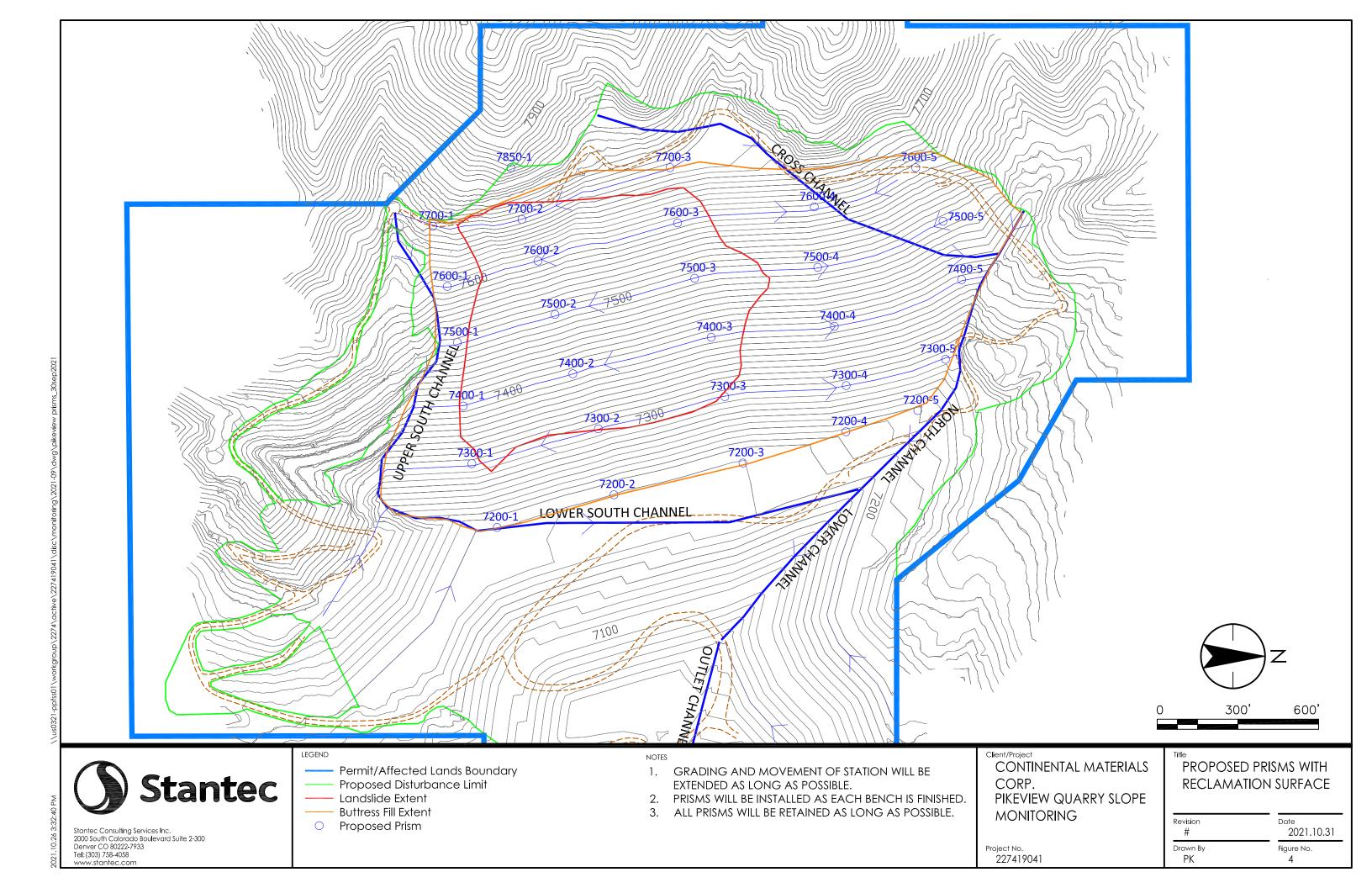
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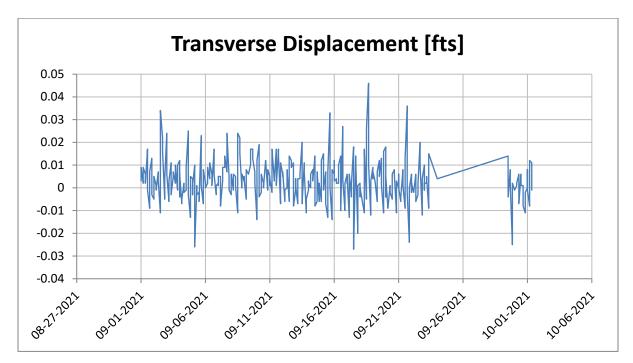
Appendix B

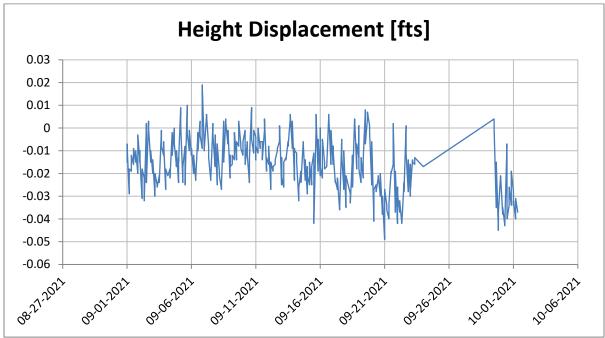
Prism Survey





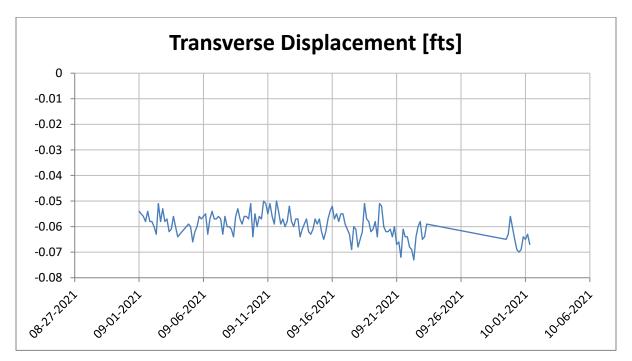


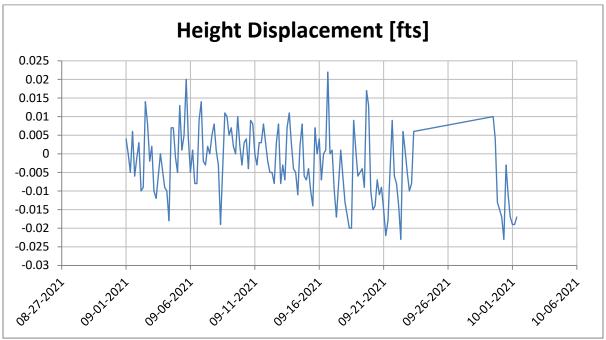




- 1. Survey accuracy is +/-0.016 feet.
- 2. Alarm threshold is +/-0.35 feet.
- 3. Transverse displacement is in the horizontal direction. Positive direction means closer to the robotic station.
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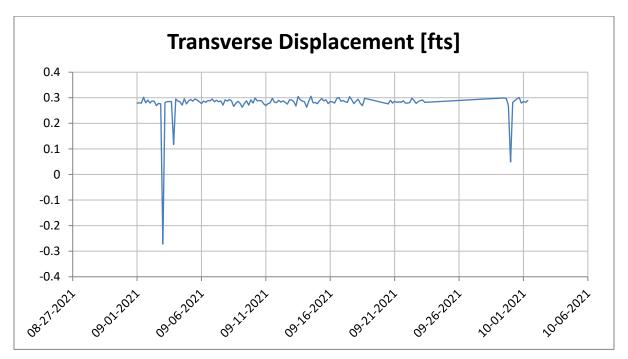


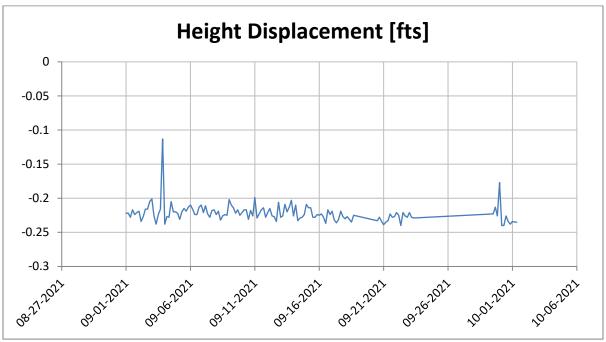




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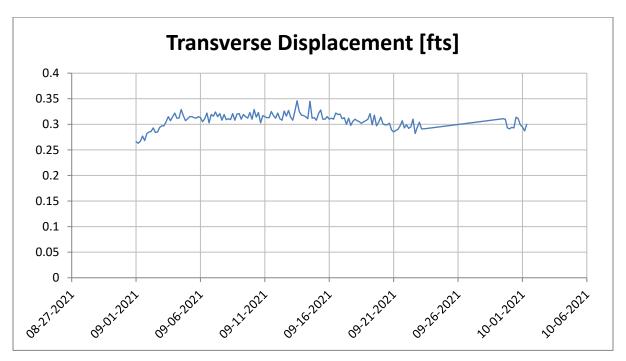


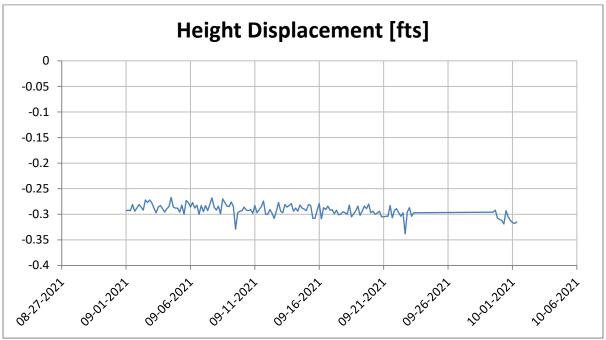




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- 5. From the 18th to the 20th Prism CP3 was vandalized and repaired.

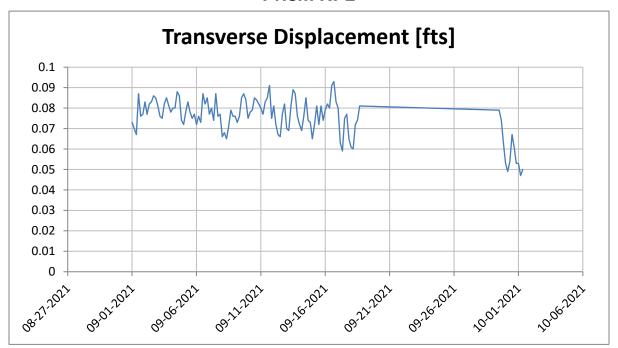


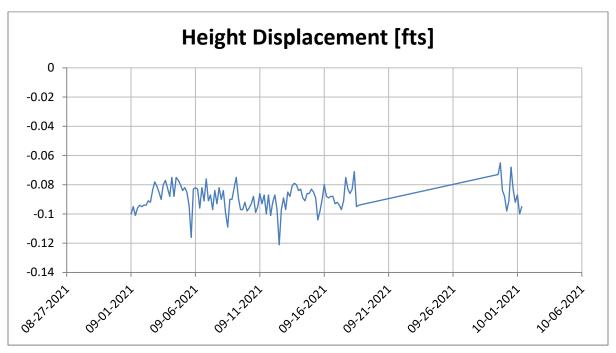




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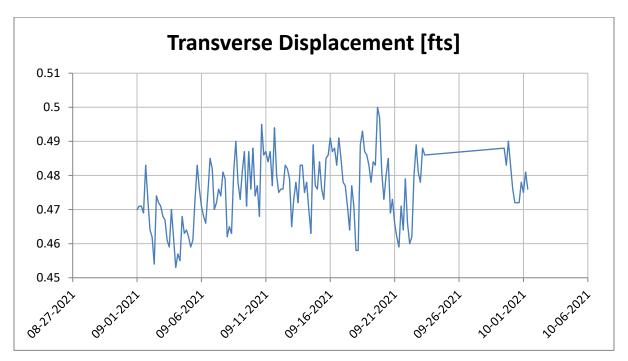


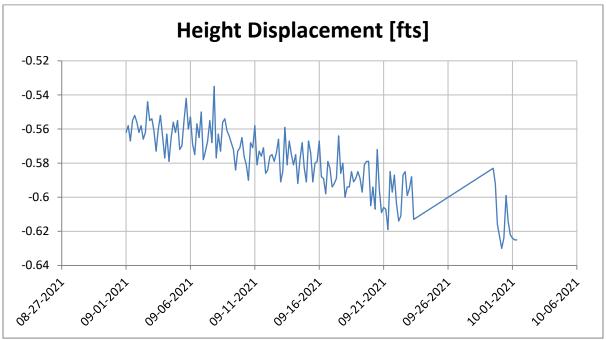




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- 5. From the 18th-23rd Prism NP2 was stolen and replaced in its original position.

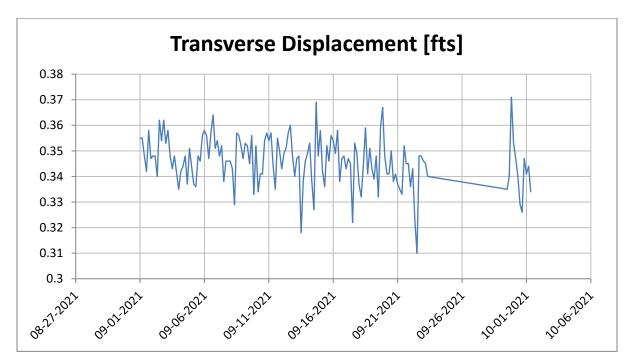


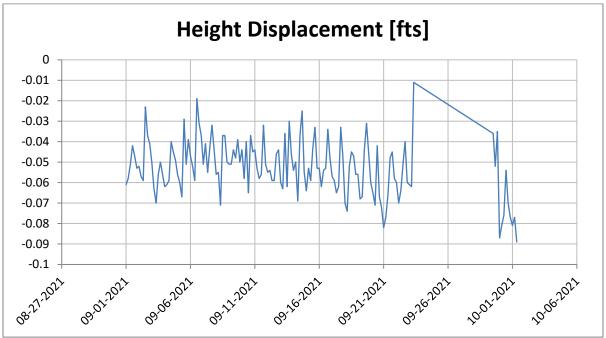




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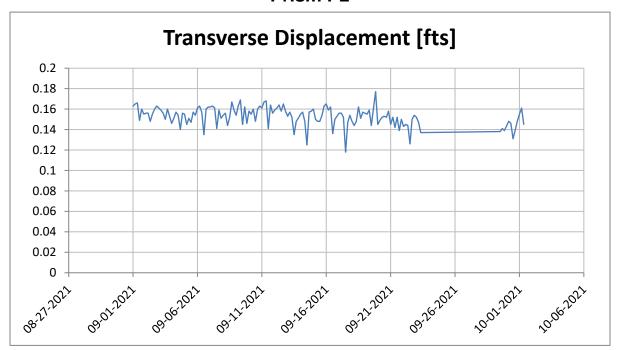


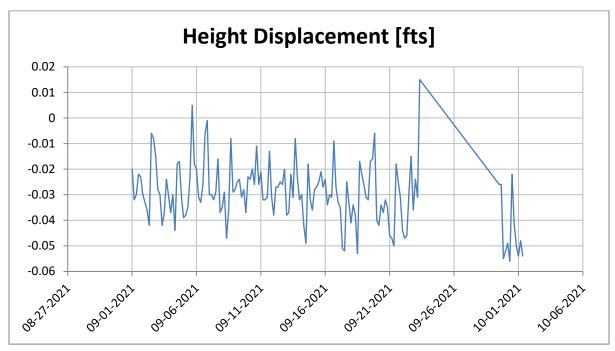


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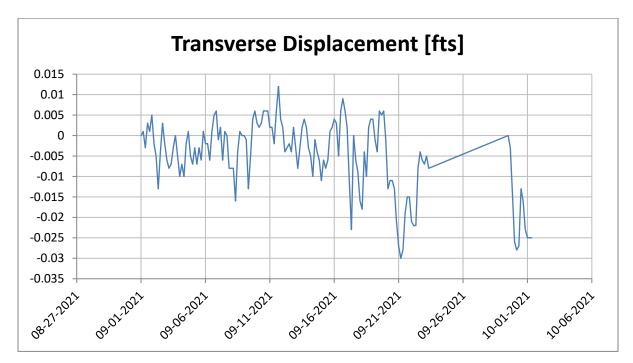
Prism P2

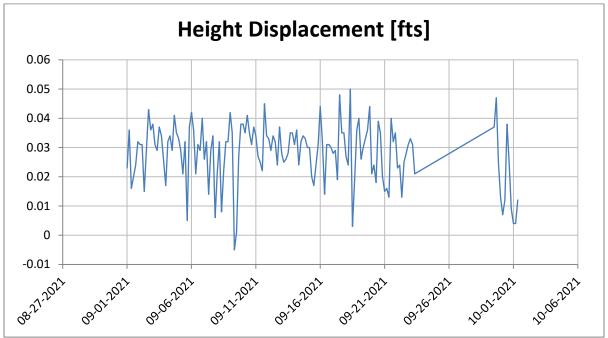




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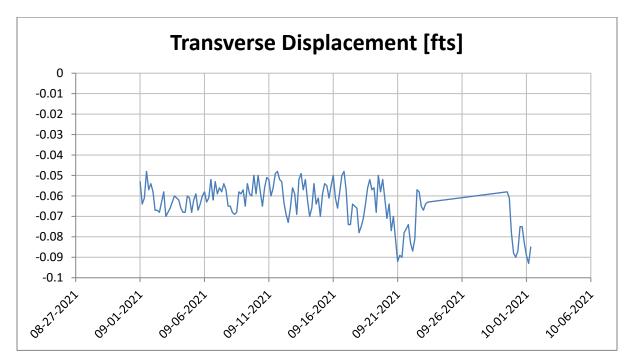


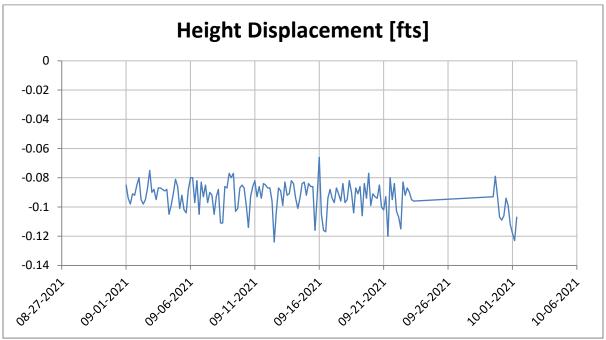




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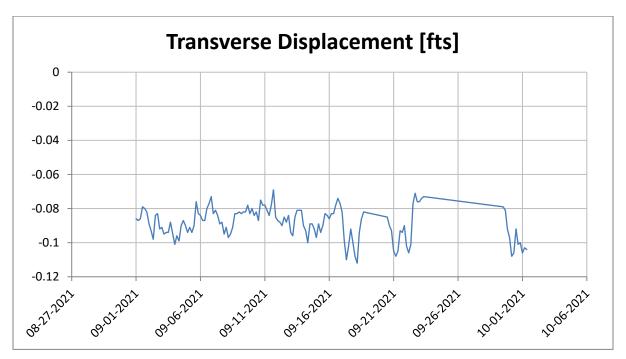


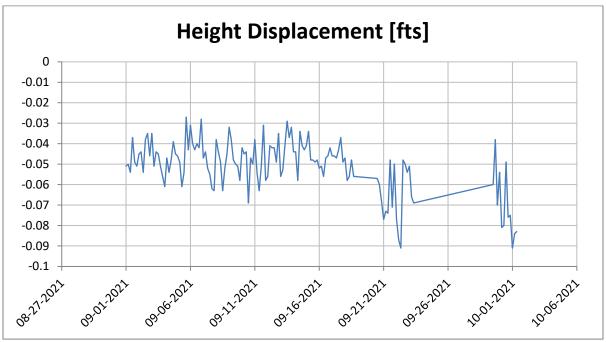




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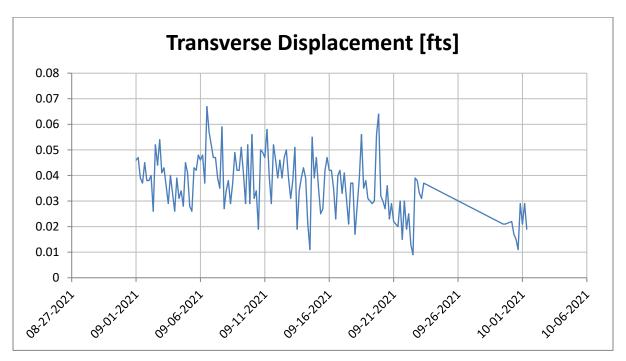


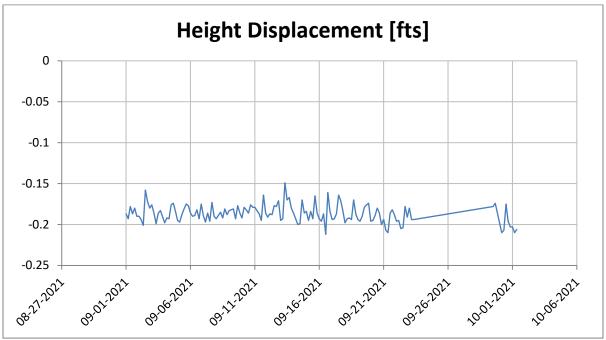




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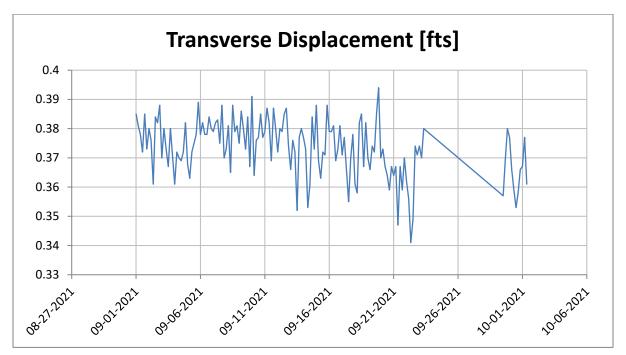


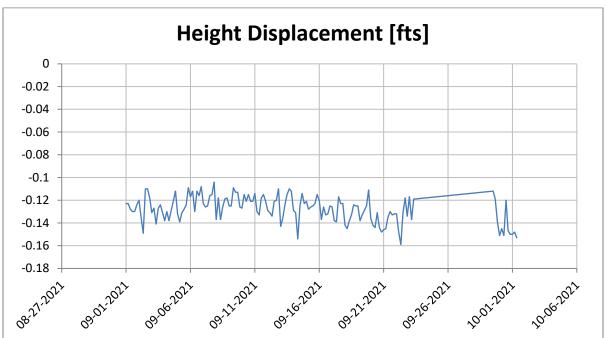


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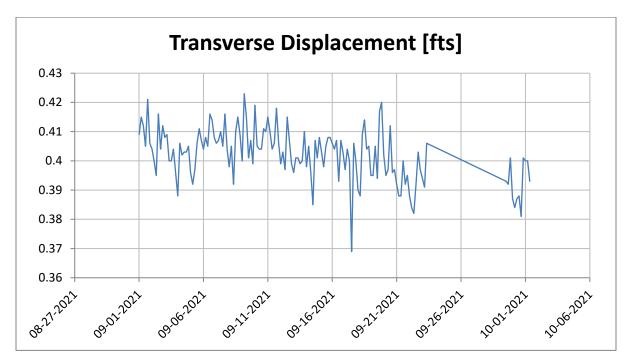
Prism P4

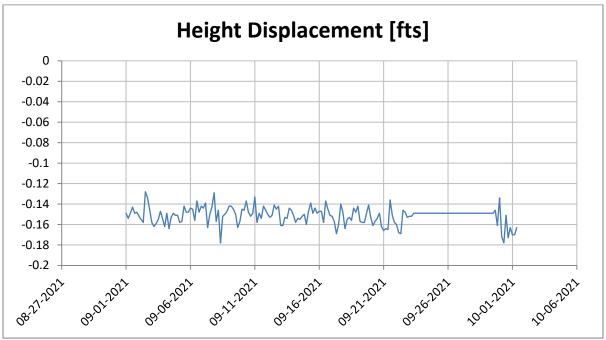




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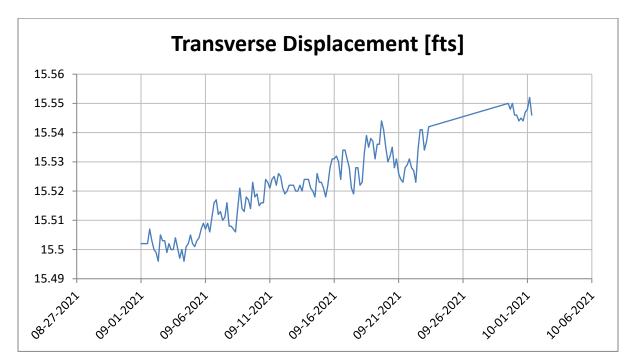


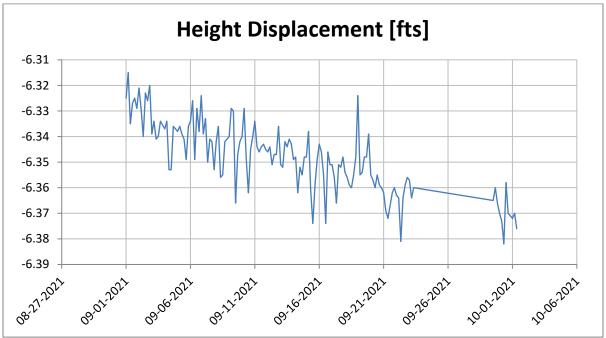




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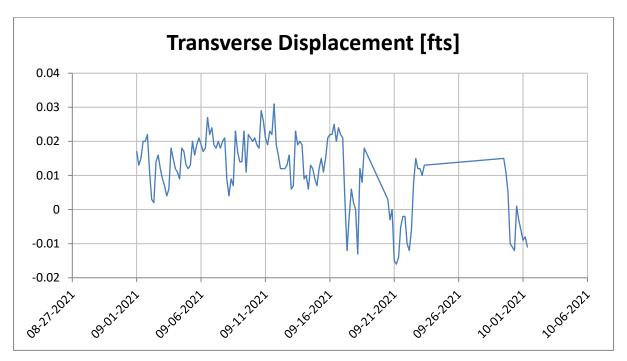


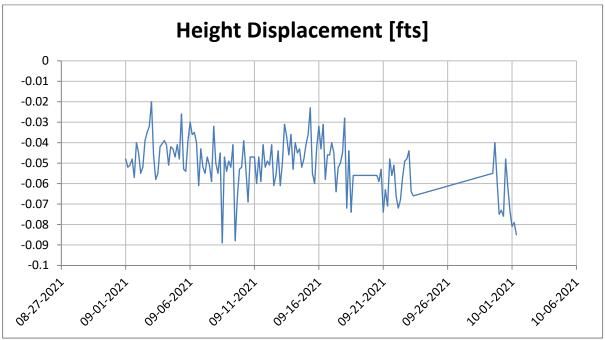




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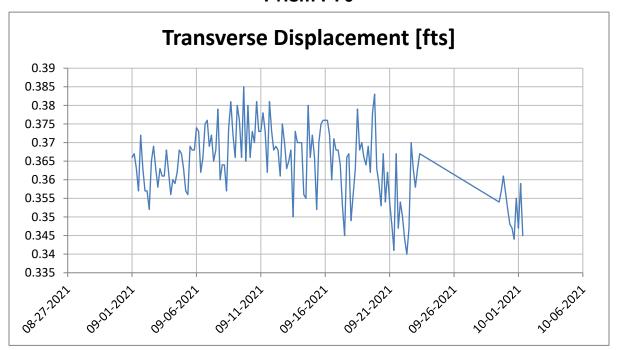


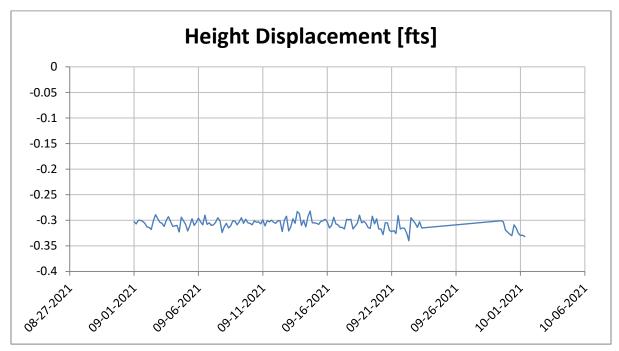




- 1. Survey accuracy is +/-0.016 feet.
- 2. Alarm threshold is +/-0.35 feet.
- 3. Transverse displacement is in the horizontal direction. Positive direction means closer to the robotic station.
- Height displacement is in the vertical direction. Positive direction means higher in elevation.
- 5. From the 18th-20rd Prism P69 was stolen and replaced in its original position.



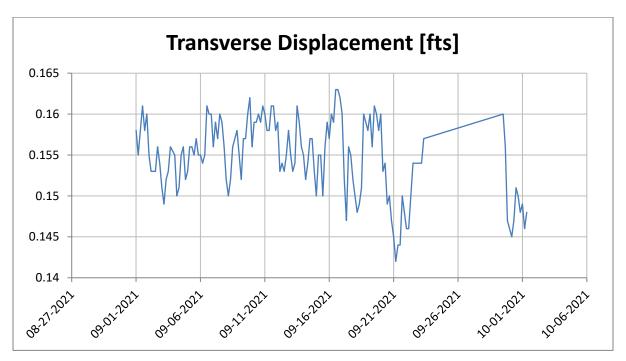


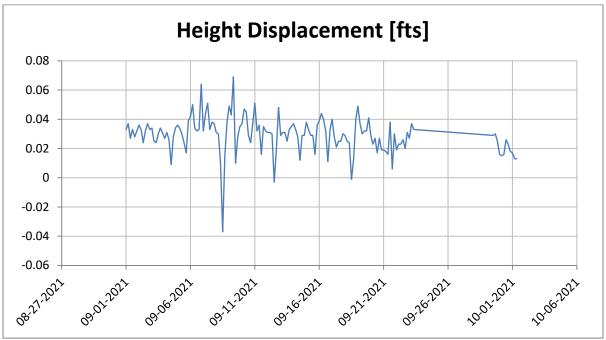


- 1. Survey accuracy is +/-0.016 feet.
- 2. Alarm threshold is +/-0.35 feet.
- 3. Transverse displacement is in the horizontal direction. Positive direction means closer to the robotic station.
- 4. Height displacement is in the vertical direction. Positive direction means higher in elevation.



Prism TOE1

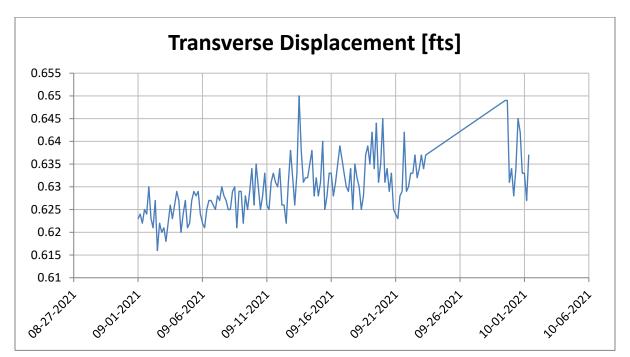


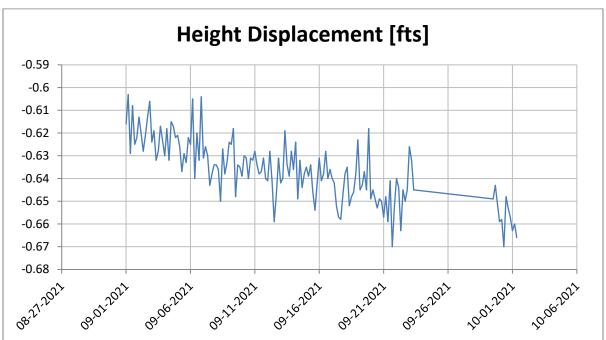


- 1. Survey accuracy is +/-0.016 feet.
- 2. Alarm threshold is +/-0.35 feet.
- 3. Transverse displacement is in the horizontal direction. Positive direction means closer to the robotic station.
- 4. Height displacement is in the vertical direction. Positive direction means higher in elevation.



Prism TOE2

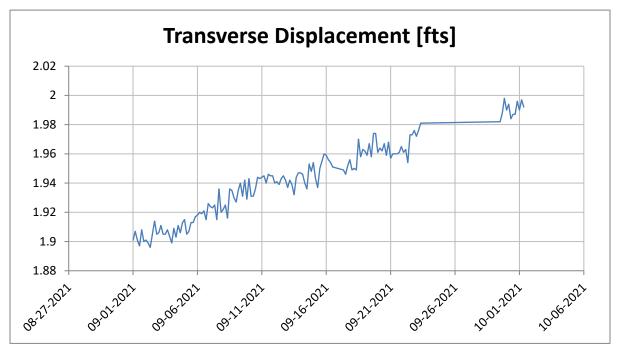


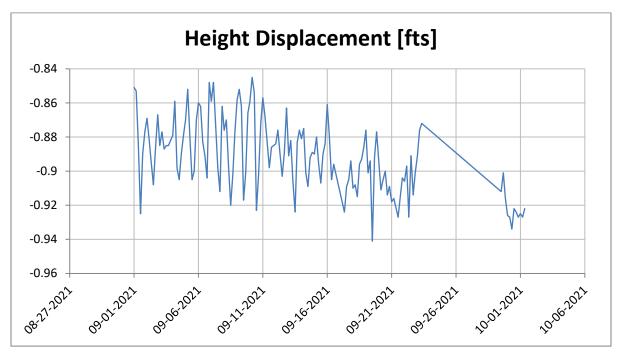


- 1. Survey accuracy is +/-0.016 feet.
- 2. Alarm threshold is +/-0.35 feet.
- 3. Transverse displacement is in the horizontal direction. Positive direction means closer to the robotic station.
- 4. Height displacement is in the vertical direction. Positive direction means higher in elevation.



Prism TOE3





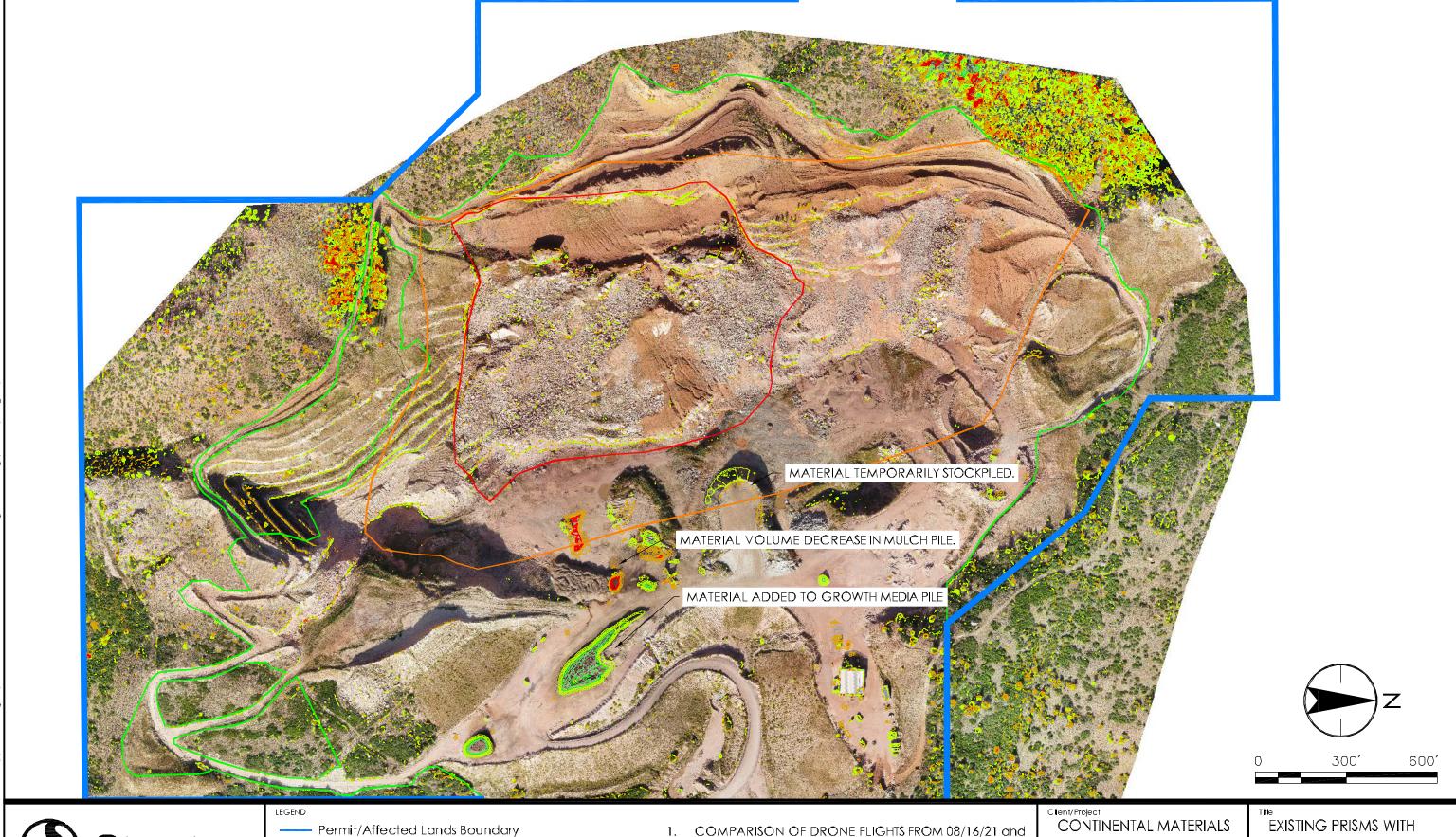
- 1. Survey accuracy is +/-0.016 feet.
- 2. Alarm threshold is +/-0.35 feet.
- 3. Transverse displacement is in the horizontal direction. Positive direction means closer to the robotic station.
- 4. Height displacement is in the vertical direction. Positive direction means higher in elevation.
- 5. On the 16th, Prism TOE3 was briefly blocked by equipment on site.



Appendix C

Drone Survey







Storred Consulting Services Inc. 2000 South Colorado Boulevard Suite 2-300 Denver CO 80792-7933 Tel: (303) 758-4058 www.stantec.com

Proposed Disturbance Limit Landslide Extent

Buttress Fill Extent

Comparison Contour. Increase in elevation. (CI=2') Comparison Contour. Decrease in elevation. (CI=2') 1. COMPARISON OF DRONE FLIGHTS FROM 08/16/21 and 09/13/2021.

CORP. PIKEVIEW QUARRY SLOPE MONITORING

Project No. 227419041

CURRENT SURFACE

Revision 2021.10.31 Drawn By Figure No. PΚ