

GRANITE REEDER WATER & SEWER DISTRICT

P.O. Box 456

Nordman, Idaho 83848

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Newsletter 10-1

May 2010

INTRODUCTION

This Newsletter is part of a continuing series of communications from the Board of Directors ("Board") of the Granite Reeder Water and Sewer District ("District") intended to inform property owners about the progress of its District Sewer Project and to inform you of decisions to be made. Our last newsletter was issued in October, 2009.

STATUS OF PHASE 1 SEWER COLLECTION SYSTEM

Construction of the Phase 1 sewer collection system north of Grandview Resort is 95% complete. The District's Contractor for this phase, Sackett Contracting, Inc., has had most of their work suspended for winter since late December, 2009. The Contractor will re-start construction in early May, 2010 and will be completing the underground piping and finalizing all of the surface restoration on public and private properties. It is the goal of the District and the Contractor to have most of the surface restoration work complete by Memorial Day, 2010.

STATUS OF THE TREATMENT FACILITIES

The District's sewage treatment lagoons are complete and have been filled with well water over the winter by the Contractor for this phase of the project, MDM Construction. Now that

freezing temperatures are nearly over, the Contractor is required to test the lagoons for water-tightness per Idaho DEQ standards. This leak-testing procedure will take 4 to 6 weeks.

Once the lagoons have been demonstrated to be water-tight, the Contractor will place all facilities in start-up condition and will complete the "punch-list" of remaining work.

IMPORTANT

No one may encroach, modify or connect to the Sewer District's facilities without the necessary permit and inspection of the District. There has already been illegal and improper construction and damage done to the District's facilities by property owners and contractors.

The Sewer District will assess serious financial penalties for violations of the integrity of the District's sewer system.

START-UP OF SEWER SYSTEM OPERATIONS

The District anticipates that the sewage treatment facilities and the Phase 1 Sewer Collection System (north of Grandview Resort) will be tested, accepted, and ready for operation by late Summer/early Fall, 2010.

PERMITS REQUIRED FOR ACTIVE SEWER HOOKUPS

Once the Phase 1 sewer system and all downstream facilities are operational, the Sewer District will formally notify property owners that

they may begin the physical connection to the new public sewer system. Please note carefully, the following steps which the District will require when it comes time to hook-up to the sewer system:

1. A permit will be required to be obtained from the Sewer District, and a District representative must inspect the private connection with the District's sewer system.

A substantial financial penalty will be levied against persons who encroach upon or hook-up to District sewer facilities without the necessary permits or inspections.

2. A permit is required from the Idaho Plumbing Bureau and the State must inspect the private sewer connection between the property owner's building and the public sewer system.
3. The State of Idaho requires that all septic tanks which are abandoned be pumped and filled in or removed.
4. The Sewer District will allow two (2) years from the date of initial system operation, for property owners to physically connect all sewage-producing buildings to the new sewer system. If any sewage-producing buildings still have not been connected to the sewer system after the expiration of the initial two year period, the District intends to enforce its ordinance requiring 100% of all sewage-producing facilities to be connected to the sewer system.
5. The Sewer District must begin charging the monthly sewer service fees to all property owners with sewage-producing buildings or trailers, **immediately** after the sewer system begins operation. This monthly sewer service fee must be paid by all property owners with sewage-producing facilities, whether or not they are physically connected to the sewer system. This policy is necessary since the District will begin to incur operating expenses immediately after start-up of the sewer system.
6. The monthly sewer and maintenance fee is estimated to be about \$40.00 per month per equivalent residence (ER). The actual fee will be established after the District Board establishes the first year operating budget this Summer.
7. The monthly operating and maintenance fee must be paid by all sewer users year-round, whether their homes/trailers are occupied or not. This policy is necessary in order to be equitable to all property owners, and in order for the District to be assured that its annual income will meet its annual budget.

PHASE 2 SEWER PROJECT TO BE COMPLETED IN 2010

The Granite Reeder Board of Directors have received preliminary approval for additional loan and grant funding from the U.S. Dept of Agriculture-Rural Development agency. This additional funding will be earmarked for the completion of the "Phase 2" sewer system, from the Grandview Resort to located the south boundary of the District, which is south of Elkins Resort.

With the support of the Idaho Congressional Delegation, the Sewer District is now proposing to proceed to complete the remainder of the sewer system (Phase 2) using the following source of funding:

<u>Source</u>	<u>Amount</u>	<u>Status</u>
Corps of Engineers "Section 595" Grant	\$547,500	Awarded
EPA Special "SAAP" Appropriations Grant	\$291,000	Earmarked but Pending
USDA-RD Grant	\$470,000	Application Pending
USDA-RD Loan	\$1,097,000	Application Pending
TOTAL FUNDING FOR PHASE 2 SEWER SYSTEM	\$2,405,500	

The District hopes to be able to begin construction of the Phase 2 sewer system (south of Grandview Resort) in the Summer of 2010, and to be completed by the end of 2010.

PLEASE NOTE THAT ALL OF THE PROPOSED FUNDING FOR THE PHASE 2 PROJECT IS NOT YET IN HAND, AND THEREFORE THE BOARD IS NOT YET 100% CERTAIN THAT PHASE 2 WILL PROCEED.

DO YOU HAVE QUESTIONS?

The installation of the Phase 1 portion of Granite Reeder Sewage System is nearing completion. The Board is very involved in consideration of all aspects of the system, and each meeting is detailed with the technical discussions required for the Board to make informed decisions. We recognize that this project is quite complicated, and the Board wants to help property owners understand these decisions and how it affects their property. The Board suggests that if you have any technical questions concerning any of the issues discussed in this newsletter, please contact the project engineers so they may properly address your concerns and be apprised of any technical questions you may have:

Welch Comer & Associates, Inc.
350 E. Kathleen Avenue
Coeur d'Alene, Idaho 83815
Attn: Sharie MacDonald
208-664-9382 Office 208-664-5946 Fax
Email: smacdonald@welchcomer.com

SUMMARY

Each of the Directors of the Granite-Reeder Water & Sewer District appreciate the cooperation and support of property owners with this sewer project. The District Board meets on the first Wednesday of each month at 3:30 pm at their office located at Copper Bay Construction, 799 Hagman Road. The public is always cordially invited to any of our Board meetings. Board meeting notices and agendas are posted on the door of the Nordman Fire Station and the District's office.

Sincerely,

Granite Reeder Water & Sewer District Board Members

Vince Aguirre, Chairman
Dave Current
Ken Hagman
Don Pratt
Bruce Yocum

Granite/Reeder Water & Sewer District
P.O. Box 456
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