

GRANITE REEDER WATER & SEWER DISTRICT

P.O. Box 456

Nordman, Idaho 83848

208-443-2173 Tel

Newsletter 09-3

October 2009

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 Granite Reeder Sewer Project and to inform you of decisions to be made. Our last newsletter was issued in August, 2009.

RESULTS OF ANNUAL DISTRICT MEETING ON SEPTEMBER 26, 2009

Approximately 50 property owners attended the Districts' annual public meeting at Priest Lake School on September 26th. In addition to discussing some of the other topics addressed in this newsletter, the following budget costs and estimated LID assessment projections were the primary topics of the meeting, summarized as follows:

Updated Project Budget Estimates (Treatment Facility Plus Phase 1 and 2A Collection Systems)

Total Project	\$10,087,000
STAG Grant thru EPA Corps of Engrs Grant (2009 Stimulus)	(\$ 2,226,000)
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Net to be Assessed to Property Owners in LID	(\$ 547,500)
	\$ 7,313,500

Phase 1 & 2A Statistics:
411 Full LID Shares, 161 "Treatment Shares"

DEQ LOAN RATE REDUCED

The District Board has requested that the Idaho Department of Environmental Quality (DEQ) lower the interest rate on their loan for our LID bonds. DEQ has recently informed the Sewer District of their determination to lower our interest rate to 1.75% from 3.5% over 20 years. The Sewer District will add 0.5% interest for LID administration, which results in effective interest rate of 2.25% for 20 years for property owners who elect to pay their LID amount in annual amortized payments.

Current Estimate of LID Assessments

- Estimated "Full Share" LID Assessment **\$14,500 per ER** or \$910/year per ER @ 2.25% for 20 Years
- Estimated "Treatment Share" LID Assessment **\$8,300 per ER** or \$592/year per ER @ 2.25% for 20 Years

SUPPLEMENTAL GRANT FUNDS ANTICIPATED

Last fall, the Granite Reeder Board applied for supplemental grant funding from the Idaho congressional delegation in order to help offset some of the added project costs due to delays and added permitting requirements.

The District is now finalizing the agreements to receive a \$527,500 grant through the U.S. Army Corps of Engineers, to apply toward the project. There will be added federal requirements for the Contractor to pay Davis-Bacon prevailing wages, which will also raise the bid prices to some extent.

This funding is coming from the federal "stimulus" package, with the support of the Idaho Congressional Delegation.

PHASE 2 SEWER COLLECTION SYSTEM ON USFS PROPERTY

The Phase 2 sewer project on USFS property from Elkins Resort to Grandview Resort is still awaiting the Special Use Permit from the USFS. Additional archeological cultural resource studies were required by the federal agencies. These studies are now complete, and the Sewer District is continuing to seek supplemental grant funding for this phase of the project. The schedule for providing sewer service to the Phase 2 service area is still unknown, while the District continues to seek supplemental funding.

WASTEWATER TREATMENT FACILITY COMPLETE AND READY FOR TESTING

The wastewater treatment facilities on the District's 80-acre site are now complete. The treatment facility contractor, MDM Construction, will now begin to fill the lagoons and test the equipment.

OVERALL PROJECT SCHEDULE

The Granite Reeder Water and Sewer District anticipates that construction of the sewer collection facilities will require both the 2009 and 2010 construction seasons. The sewer facilities are projected to be complete by Fall, 2010. The LID assessment process will be finalized in Fall or Winter of 2010.

For a more detailed near-term project schedule, please see the schedule on the opposite page.

DO YOU HAVE QUESTIONS?

The installation of the Granite Reeder Sewage System is beginning to happen quite rapidly. 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 complications 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.

Sincerely,
**Granite Reeder Water & Sewer District
Board Members**

**Vince Aguirre
Dave Current
Ken Hagman
Don Pratt
Bruce Yocum**

PROJECT SCHEDULE

The following is the latest project construction schedule provided by Sackett Contracting, who is installing the Phase 1 Sewer Collection System. Please note that the District Board encourages property owners to be present when the Contractor is scheduled to be working on your private property easement.

Construction Element	Location	Beginning	Ending
A) Grinder Pump Basin Installations on Easements	Sundance Loop	10/28/2009	11/2/2009
	White Fir Lane	11/2/2009	11/5/2009
	Fir Lane	11/6/2009	11/6/2009
	South Granite Bay Road	11/9/2009	11/13/2009
	Jim Low Road	11/16/2009	11/17/2009
	Moss Ln/Low's Resort	11/18/2009	11/23/2009
	South Granite Creek Rd - Fir to Steven's	11/24/2009	12/2/2009
	Hagman Road & Hagman's Beach	12/3/2009	12/22/2009
B) Main Line Sewer Construction Crew #1	Hagman Road	10/27/2009	11/17/2009
	Cooper Bay Cut-Off	11/18/2009	11/25/2009
	Perl Smith Rd & Cut-Off	10/30/2009	11/21/2009
	Mountain View Road	11/13/2009	11/20/2009
	North Granite Bay Road	12/3/2009	12/10/2009
	Hagman Beach	11/23/2009	11/25/2009
B) Main Line Sewer Construction Crew #2	Jim Low Road	10/26/2009	10/29/2009
	White Fir Lane	10/30/2009	10/6/2009
	Fir Lane	11/9/2009	11/12/2009
	South Granite Bay Road	11/13/2009	11/23/2009
	Jim Low Road	11/24/2009	11/25/2009
	Moss Ln/Low's Resort	11/26/2009	12/9/2009
	South Granite Creek Rd - Fir to Steven's	12/10/2009	12/15/2009
C) Major Lift Stations	Tillakum Condos	12/1/2009	12/9/2009
	Sundance	12/10/2009	12/18/2009
	Hagman	12/21/2009	12/29/2009

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