



30 Fairway Drive  
Priest Lake, Idaho  
83856

**February 26, 2023**

**To all members of Golf Club Estates Water Association, Inc.**

We wanted to give a brief update on where we're at with our water infrastructure improvements. As of December 1, 2022, the road to the water tank has been widened and smoothed out so larger vehicles can access our tank site. It will accommodate the concrete trucks and heavy equipment needed to lay the foundations for the new water tanks.

In December we also put large deposits down for the purchase of two, 100,000-gallon, steel water tanks. It was necessary to do this early so we could have the foundations designed and the tank engineering verified for the location we're putting them on. It allows for our engineering firms to continue working while we're stopped for winter weather.

We hired Emerick Construction as our general contractor. The board signed a contract with them in early January. They are a full-service company, headquartered in Portland, Oregon with offices in Sandpoint, Idaho. They have retained engineering firms in Coeur d'Alene to assist with the construction and water right issues. It includes designing the requirements for the 3<sup>rd</sup> well and associated electronics. We have a fixed price contract with them for \$1,291,933.00. \$105,000.00 will be deducted for direct contracting GCEWA is doing for the road and site leveling with Storro Excavating. We have a time based contract but it starts when the IDEQ gives us final approval for our new Facility Plan. It was returned with comment from the state about 6 weeks ago and we anticipate getting it out for public review and comment soon.

As you know, we received \$350,000.00 from the Millie's/44 group last year. With the tank deposits, road construction, and engineering work we've had going, we've paid out approximately \$295,000.00 since September in construction and engineering fees. We have enough left to keep our construction going, when the snow clears, and to keep the engineers busy. We'll receive our second payment from Millie's/44 in July.

Although we are doing very well, the one dark spot is not being able to secure a grant to subsidize our upgrades. This is going to leave us with a shortfall of approximately \$400,000.00 in the end. We are looking into low interest, long term loans from the state and also local banks. This will mean an assessment to all property owners in the development. At this point, the assessment would be approximately \$2,900.00 per lot. This is just an estimate, but we didn't want to surprise anyone. We believe the improvements warrant the cost and that we've been able to get very good pricing on the tanks and well improvements. It should secure a very good water system for the next 50-60 years.

If you have any questions, contact one of the board members. Mark is looking after the day-to-day project, but Craig and Mike are very closely involved and should have any answers you may need.



30 Fairway Drive  
Priest Lake, Idaho  
83856

**For Golf Course Estates Water Association, Inc.:**

Craig Hill, Director, President	<a href="mailto:craighill@hillsresort.com">craighill@hillsresort.com</a>	208-443-2551
Mike Craigen, Director, Secretary	<a href="mailto:mrcraigen@gmail.com">mrcraigen@gmail.com</a>	509-995-0867
Mark Patneau, Director, VP, Treasurer	<a href="mailto:mgpatneau2@gmail.com">mgpatneau2@gmail.com</a>	208-290-2322