

GOLF CLUB ESTATES WATER ASSOCIATION, INC.

ANNUAL MEETING – AUGUST 7, 2022

HILL'S RESORT MEETING ROOM

Attending Owners: Hill, Patneau, Craigen, Buttice, Mauzy, Moon, Esty, Keller, Wane, Chapin, Wolcott, Saunders, Horlacher, Ebel, Gibson, Ridgely, Mohr, Stocker, O'Neil, Rebock, Lewis, Wallace

Guests: Myer, Grewe

I. Craig Hill opened the meeting with welcoming comments and asked everyone to introduce themselves

II. Financials as of August 5, 2022:

Checking account: \$1,530.63

Savings account 1: \$23,874.02

Savings account 2: \$350,000.00

Total Funds: \$375,404.65

Accounts payable:

Peterson Electric: \$8,389.22

Hills Holding: \$1,250.00 (estimate fuel for new generator)

NIL (electric): \$814.50

Total owed: \$10,453.72

Accounts receivable:

Bonner County: \$10,993.71 (hydrant damage by county plow)

Delinquent accounts: \$1,492.50

Total pending: \$12,486.21

A refurbished 80kw, diesel generator with an automatic transfer switch was recently purchased and installed. This replaces our old 40kw generator that has to be started manually/Mark addressed the source of

the \$350,000. Recently GCEWA entered into a contractual agreement with Brenburk/Millies 1943 to supply water to 150 future water hookups from our association. The initial payment of \$350,000 was made and deposited into a new construction savings account. Our agreement calls for two additional payments, \$300,000 July 27, 2023 and \$214,000 July 27, 2024. Total payments to GCEWA of \$864,000. All moneys belong to GCEWA and the only contingency is that we have IDEQ approval for our proposed upgrades, or our members vote to not go forward with the agreement. The agreement also includes a 3rd well to be drilled in the vicinity of our existing two wells.

Having enough members to vote, a motion was made and seconded that GCEWA go forward with the replacement of the water tank. The motion was passed by unanimous vote.

III. Status of Water Tank

Recently Panhandle Health did a sanitary inspection survey. They found four deficiencies. We have 30 days to address the problems. The aging tank has several leaks. The health district is concerned with issues of potential contamination from the holes. We submit quarterly samples for testing and have always passed them.

HMH Engineering completed our facility plan and submitted it to Idaho Department of Environmental Quality (IDEQ). The plan was approved May 2022. Brenburk working with Sewell Engineering will update our facility plan that will need to be resubmitted. It won't be fully approved until the open public comment period and public meeting results are reviewed IDEQ.

Should this plan and agreement with Brenburk our contingency plan would be to look for government grant funding and/or a low interest loan. Failing that, all the owners would be assessed for the full value of the cost to replace our existing tank.

IV. Changes to the By Laws, Articles and Water Master Service Agreement
Owners need to vote to approve the addition of Brenburk/Millies 1943
for up to 150 water hookups from GCEWA. They would come aboard as
non-voting members. The revised Water Service Agreement will apply to
them and create an enforcement piece.

Mark Patneau moves to approve: a) change the by laws to include
non-voting members, b) required changes to Articles, c) New Water
Service Agreement. Seconded by Jackie Mohr. By unanimous vote of the
members present the motion was approved.

A further vote of the members was necessary to approve Mark
Patneau as a board member. The members voted to approve him.

Michael R. Craigen
Secretary
Golf Club Estates Water Association, Inc.

August 7, 2022