

Dear Friends and Neighbors.

The Timber Lakes Water Special Service District is pleased to announce the approaching completion of our water project. Sunrock, the pipeline contractor has completed all pipeline installation work and is now making final connections to the new system. Their portion of the project is expected to be completed by mid September. Build Inc., the water tank contractor has completed the concrete work on the new water tanks and as of the 15th of August had filled and was testing the lower tank for compliance with the specifications. The upper tank is going through final construction efforts and will be filled and tested shortly. Work remaining includes the final connections of the tanks to the water system, tank backfilling, and the completion of the telemetry system which will communicate critical flow and tank level data to the shop facility. This telemetry system will allow our water system manager to observe water conditions and supplies on the mountain from the shop, or from a remote location. It will also provide alarms and notices should the system operate abnormally. Both projects are scheduled to be complete by the end of September.

We know that all on the mountain are interested and anxious to get an update regarding the final cost for the project. The bond approved three years ago was authorized for a maximum amount of \$8.5 million dollars. With all construction loan and financing charges included, we anticipate that the combined projects will come in under budget. The TLWSSD board should have final budget numbers for the board meeting scheduled for September 21st. A mailing will be sent out to all property owners in September giving notification of the final bond amount and the impact to each property owner. The bond will then be paid back monthly over a 20 year period. If desired, individual lot owners may choose to make a one time lump sum payment for the bond obligation in lieu of the increased monthly payments. The deadline for the lump sum payment option will likely be sometime in November. A firm lump sum payment deadline will be announced as soon as we know the schedule for the bond closing. We thank you for your support during the construction of this important project. We now have a water system that is projected to meet the needs and demands of lot owners both now and in the future. Watch for additional information to come related to the water system that you can forward to your insurance company that will likely lower insurance rates. Some on the mountain have already seen reduced insurance rates which have been a direct result of water system improvements. Thank you again for your support of this important project.

TLWSSD Board