TOILSOME HILL-GLEN ALPS & CANYON ROAD IMPROVEMENT UPDATE JULY, 2010

Since our last meeting Lounsbury and Associates, Inc. have been working on the right-of-way issues along Glen Alps. Work has begun to get appraisals going on the properties as well as starting the BIA process which will take quite some time to get through. Lounsbury and Associations, Inc. are doing everything they can on their end to make sure things go smoothly and quickly. Here is a brief summary of the process they are going through:

For the Tabbytite Property - BIA process-

- Obtain Permission to Survey on the Tabbytite property. There are nine things to submit, one of which is signed consent from the land owners. Obtaining signatures from the land owners could take several months, and we have to have this step complete before moving on.
- Collect necessary survey and right-of-way information. Some survey has been completed, but we will need to collect some "clean-up" data.
- Complete a Right-of-Way application for BIA. This step involves identifying the right-of-way we want to acquire and the compensation for that property. The compensation will be based on an appraisal, and there is some room for negotiation with the property owner in regards to compensation. Negotiating with the land owners could take several months.

For the non-BIA property-MOA process

- Identify the right-of-way we want to acquire.
- Perform an appraisal of the property.
- Negotiate with the land owner.

In addition to the work above, Lounsbury and Associations, Inc. are checking on status of prescriptive rights along both Glen Alps Road and Canyon Road.

Once the right-of way has been acquired, they will have to obtain the necessary permits, finish the geotechnical work, and finalize plans. The plans will be submitted to MOA for review and approval before construction can begin.