

Memorandum

To: Board of Commissioners

From: Eric W. Shanley, P.E., Director of Highways

Date: December 2025

Re: 2025 End of Year Report, 2026 Forecast

District Maintenance and Road Work

Major road work in 2025 was contracted through Interstate Concrete and Asphalt. This work included rebuilding approximately 1.7-miles of Diagonal Road east of Highway 41, pavement overlays on Seasons, Twin Lakes Ave, Golden, Lodestar, Silver and turn lane improvements on Pope Road. While paving the turn lane improvements on Pope Road, the adjoining Park and Ride Area on our north parcel was completed thus fulfilling our obligations with ITD in the property transfer agreement. Interstates work was completed at a cost of \$3,020, 694.

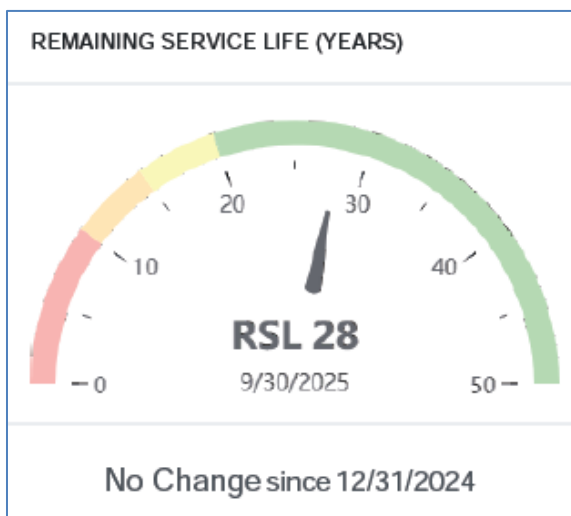
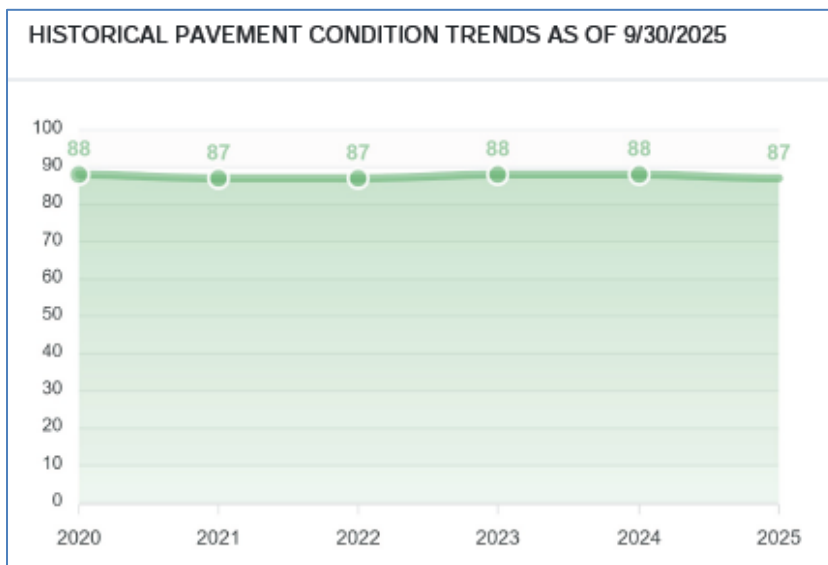
Other contracted work that the Director of Highways managed for the District included construction of the Lancaster/Ramsey Roundabout and the Lancaster/Huetter Roundabout. These projects were joint projects with the City of Hayden and the Post Falls Highway District, respectively.

On the maintenance side of Lakes Highway Districts Annual Operations, there were several accomplishments. First, the District managed multiple winter storms out of the new Pope Road Operations Center. This saving the District time and effort with our new location being in the heart of the District. As winter turned to spring, employees began sweeping winter debris from our roads, shouldering, refreshing pavement markings, cracking sealing, chip sealing and several culvert replacement projects, including those located at the Mokins Creek crossing of the East Hayden Lake Road.

In the development community and expansion of the District, the Director and Engineering Technician Supervised construction of several new donated roadways consisting of Storm Mason Way within the Timberland Meadows Subdivision, Ellington Ct within the Oak Ridge Manner Subdivision; Ceylon, Nadir, Eclipse, Wadi within the Lone Mountain Estates Subdivision and Gemini Lane within the Round Mountain Estates Subdivision. The Director and his Engineering Tech also oversaw two major utility projects that installed new waterlines within the Districts roads and rights-of-way on Chilco and Thomas Lane. Thomas Lane consists of approximately 2000-ft of a new City of Coeur d'Alene Waterline and an associated reconstructed roadway.

Pavement Condition

With consideration to our annual roadway pavement inspections and work completed by the District to monitor pavement condition, we've determined that our current Network Pavement Condition remains consistent at 87. Refer to our State of Roads Report and Pavement Management Plan for additional details in this regard.



Remaining Surface Life of Roads

The Districts current network pavement condition equates to a Remaining Surface Life of 28-years. This if all maintenance were to stop one could expect our roads to last 28 years before roads would become unservicable. Otherwise, using typical low cost preventative maintenance techniques such as crack sealing, chip sealing and overlaying at the appropriate time this RSL projection is expected to remain constant.

Results of this effort shows that the District road assets are being managed well, ranking the Lakes Highway District in the 90th percentile compared to other similarly sized agencies (Source: Metropolitan Planning Organization, Street Saver).

Winter Maintenance

As winter months are upon us, this category of our work and where it falls within the budget year, lends itself to being our No. 1 Priority. This to focus entirely on the Boards Guidance to ensure roads are well maintained and safe for winter travel. As such, we begin preparing for winter operations in October/November of the year. Preparation includes winterizing specialty equipment, installing de-icer systems, sanders and snow wings.

Our current snow fighting equipment and routes for this season consists of 10-plow trucks on 8-routes, 8-medium duty de-icer truck plows on 5-routes and 3- graders on 2-routes. Each of our 8-trucks that are assigned plow routes have a main front plow, snow wings and sanders with pre-wet systems. Additionally, each of our de-icer trucks that are assigned routes are equipped with a main plow, wing and chemical de-icer tank.

At both the Garwood Operations Facility and the Belmont, our current fleet includes a single backup plow truck, dump truck (w/o sander) and a 550-pickup (w/o de-icers). These backups are used in the event of a plow breakdown and/or to haul trees and other debris that accumulate during storm events.

Administration Work

Administratively, the Districts work is typical to that of previous years, with our priority being available to the public. In this effort our work primarily includes responding to building and site disturbance permits, utility and approach permit applications, subdivision platting, right-of-way inquiries and validations, encroachments permits, culvert and sign inventory, rights-of-way acquisition, engineering development design reviews and subdivision road construction inspections. This work also involves participation in several organizations and forums such as: the Kootenai County Area Transportation Team, Kootenai County Association of Highways Districts, as well as coordinating with all our partners at Kootenai County and Cities within our District.

Next Year

Looking ahead towards 2026 there are several major construction projects anticipated in addition to our routine maintenance and chip sealing program. On-going design work includes rehabilitation of the East Hayden Lake Road from Hayden Creek to Mokins, the overlay of Prairie Avenue and Shaw Loop. Work also includes design and construction of the Districts planned winter maintenance facility at the Garwood Pit, design of the Brunner/BNSF Grade Separation and the Old Hwy 95 and UPPRR Grade Separation Project. Staff anticipate bidding the road work projects on the E. Hayden Lake Road, Prairie and Shaw Loop this February for spring construction. This is in advance of our annual pavement marking chip sealing and culvert restoration work.

Of special note for the 2026 construction season, Lakes Highway District will be partnering with the Post Falls Highway District on the Prairie Avenue Project. This project will include the portion of Prairie from Atlas Road to US95. This is with the Director of Highways providing the engineering certifications for design and bidding as well as the construction engineering management services for both agencies.

This concludes my report.