

ORDINANCE NO. 2008-02

An Ordinance of North Kootenai Water District, Kootenai County, Idaho, adopting rules regulating charges to property owners who benefit from improvements financed through a local improvement district who have not paid assessments for those improvements; setting the effective date of the Ordinance; and providing for other matters properly relating thereto

NORTH KOOTENAI WATER DISTRICT
KOOTENAI COUNTY, IDAHO

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF NORTH KOOTENAI WATER DISTRICT, KOOTENAI COUNTY, Idaho as follows:

WHEREAS, North Kootenai Water District (the "District"), is a duly and properly formed water district existing and operating under and by virtue of the Constitution and laws of the State of Idaho and is governed by a Board of Directors ("Board");

WHEREAS, the Board has formed Local Improvement District No. 1 ("LID No. 1") to finance a portion of the cost of the construction and installation of certain improvements to the water system in the Honeysuckle Hills area in the District;

WHEREAS, to lessen the burden of the cost of LID No. 1 to certain property owners, the District has allowed property owners who own contiguous parcels of property and who also meet other conditions to consolidate their parcels for purposes of determining LID assessments ("Consolidated Parcels");

WHEREAS, there are other parcels of property within the boundaries of LID No. 1 which may not yet be subdivided or otherwise improved and therefore have either no or limited assessments for the water system improvements ("Unimproved Parcels in LID");

WHEREAS, there are parcels of unimproved property that may not be in the boundaries of LID No. 1, but depending on how they are later developed and improved, may benefit from the water system improvements constructed and paid for by the property owners within LID No. 1 ("Unimproved Adjacent Parcels");

WHEREAS, the District wishes to put in place a system which allocates the cost of water system improvements within LID No. 1 to other property owners who benefit therefrom and also to create a system of notification for those other property owners of this potential obligation;

NOW, THEREFORE, BE IT FURTHER ORDAINED as follows:

Section 1: DEFINITIONS:

Capitalized terms in this Ordinance shall have the meaning given below:

Assessment Amount means the amount included in the Assessment Roll for each lot or parcel, adopted on February 21, 2008, such amount being \$_____.

LID No. 1 means Local Improvement District No. 1 formed by Ordinance No. 06-01 of the District.

Other District Fees means all fees assessed by the District to connect to its water system, including but not limited to capitalization fees, hook-up fees, mitigation fees and any operation and maintenance charges.

Payment Amount means an amount equal to a combination of:

- (a) The original assessment levied on each lot or parcel; plus
- (b) The interest which has been assessed on any original lot or parcel; plus
- (c) Any increase in the Engineering News Record from the date of the confirmation of the Assessment Roll for LID No. 1

Section 2: INCORPORATION OF RECITALS

The recitals set forth herein are incorporated by this reference.

Section 3: PAYMENT BY OWNERS OF CONSOLIDATED PARCELS

Property owners within LID No. 1 formed by the District who have executed Covenants for Consolidation ("Covenants"), generally in the form shown in Exhibit "A" attached hereto, shall abide by the terms of those Covenants. Property Owners are not entitled to the benefits of a Covenant until the Covenant is filed with the appropriate office of the County for recording.

Section 4: PAYMENT BY PROPERTY OWNERS OF UNIMPROVED PARCELS IN LID NO. 1

Property owners who own a parcel or parcels within LID No. 1, which parcels are later divided into additional lots, shall be required to remit to the District the Payment Amount.

Section 5: PAYMENT BY PROPERTY OWNERS OF UNIMPROVED ADJACENT PARCELS

A property owner who owns an Unimproved Adjacent Parcel, who later develops his or her property in a way that accesses the water system improvements financed in part by LID No. 1, shall be responsible to remit the Payment Amount for each parcel he or she develops.

The Board reserves the opportunity, based on a number of factors including but not limited to, other access, age and condition of improvements, principles of fairness and equity to adjust this payment.

The District also reserves the right to file the attached "Restrictions on Development of Property" in the form of Exhibit "B" on real property adjacent to LID No. 1, which has not paid any assessment for the improvements but may later benefit from the improvements if the real property is subdivided.

Section 6: PAYMENT OF AMOUNTS DUE UNDER THIS ORDINANCE

Any amounts which are required to be paid under the provisions set forth in this Ordinance shall be due at the earlier of thirty (30) days after the division of the lot or parcels or at the time of the issuance of any building permit or other license or permit by Kootenai County.

Section 7: ALLOCATION OF FUND COLLECTED

The District shall desposit the Payment Amount in the LID Bond Fund of the District and used to make payments of principal of the Bond for LID No. 1.

Section 8: OTHER DISTRICT FEES

The Payment Amount assessed and collected under the authority of this Ordinance is in addition to Other District Fees.

Section 9: DELEGATION OF AUTHORITY

The appropriate officials of the District are hereby authorized to develop and promulgate rules which are consistent with this Ordinance.

Section 10: RATIFICATION

All proceedings heretofore had in connection with this Ordinance are hereby in all respects ratified, approved, and confirmed.

Section 11: SEVERABILITY

If any section, paragraph, clause or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of each section, paragraph, clause or provision shall in no manner affect any remaining provision of this Ordinance.

Section 12: EFFECTIVE DATE

This Ordinance shall be and is effective upon a publication of the Ordinance or a summary thereof in the official newspaper of the District.

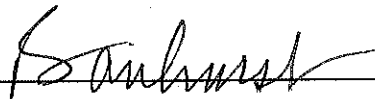
PASSED AND ADOPTED this 21 day of February, 2008.

NORTH KOOTENAI WATER DISTRICT



President

ATTEST:



Secretary

(SEAL)



Attachments:

- ~~A) Covenant for Consolidation~~
- ~~B) Restrictions on Development of Property~~
- ~~C) Summary of Ordinance~~

CERTIFICATION

I, the undersigned Secretary of the Board of Directors of North Kootenai Water District, Kootenai County, Idaho, HEREBY CERTIFY that the foregoing Ordinance is a full, true, and correct copy of an Ordinance duly adopted at a regular meeting of the Board of Directors of the North Kootenai Water District, duly and regularly held at the regular meeting place thereof on _____, 2008, of which meeting all members of said Board had due notice and at which a majority thereof were present; and that at said meeting said Ordinance was adopted by the following vote:

AYES, and in favor thereof, Directors:

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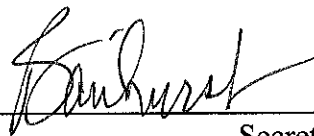
NOES, Directors:

ABSENT, Directors:

ABSTAIN, Directors:

I FURTHER CERTIFY that I have carefully compared the same with the original Ordinance on file and of record in my office; that said Ordinance is a full, true, and correct copy of the original Ordinance adopted at said meeting; and that said Ordinance has not been amended, modified, or rescinded since the date of its adoption, and is now in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of said District on _____, 2008.



Secretary

(SEAL)