



RESOLUTION 2001-04

NORTH KOOTENAI WATER DISTRICT
KOOTENAI COUNTY, IDAHO

AMENDMENT OF ORDINANCE 99-4

The Board of Directors of the North Kootenai Water District, "NKWD", during the course of its regular monthly meeting on June 14, 2001, considered the Capitalization Fee adopted by NKWD pursuant to its Ordinance 99-4, adopted May 13, 1999. The Capitalization Fee established thereunder provides for an "equitable buy-in" to the water system of NKWD.

On motion duly made, seconded and carried, it was

RESOLVED that the Capitalization Fee to be paid by new users of the water system of NKWD who establish a physical connection to the water system shall be \$2000 for a single family residential user connection.

The Board of Directors then considered the fair and equitable application of Ordinance 99-4 to persons who had paid a "hookup fee" prior to the effective date of Ordinance 99-4 and were not yet a "User" as of this date. The Board of Directors reviewed Ordinance 99-4 and noted that its terms specified that the Capitalization Fee was to be paid by all new Users who established a water service connection to the water system subsequent to June 13, 1999. The Board of Directors also noted that a significant number of persons had paid a "hook-up" fee to NKWD or its public utility predecessor prior to June 13, 1999. The Board of Directors further noted that the purpose of the Capitalization Fee was to fairly and equitably apportion the costs of the infrastructure necessary to the water service provided by NKWD and that those persons who had paid a "hook-up" fee prior to the adoption of this resolution and were not yet Users were not providing support for the water system in which they had reserved capacity which NKWD had a duty to maintain for their benefit. The Board of Directors further noted that Users provided support for the infrastructure of the water system through rates paid for service availability, including

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water service connections where are temporarily disconnected at the request of the User.

On motion duly made, seconded and carried, it was

RESOLVED, that Ordinance 99-4 is applicable by its terms to all new water service connections to the water system of NWKD established after the effective date of this resolution; and,

RESOLVED, that persons who paid a "hook-up" fee for a parcel prior to the effective date of Ordinance 99-4 shall receive a credit against the Capitalization Fee due pursuant to Ordinance 99-4 in the amount of the "hook-up" fee paid plus simple interest accrued at the rate of 6% per annum from the date of payment of such "hook-up" fee to NKWD or its public utility predecessor to the date of payment of the applicable Capitalization Fee.

PASSED AND APPROVED this 14th day of June, 2001.

NORTH KOOTENAI WATER DISTRICT
[Signature]
CHAIRMAN OF THE BOARD OF DIRECTORS

[Signature]
Director

[Signature]
Director

ATTEST:

[Signature]
Secretary/Director

Director