

RESOLUTION NO.2006-03

A RESOLUTION OF INTENTION OF NORTH KOOTENAI WATER DISTRICT, OF KOOTENAI COUNTY, IDAHO TO CREATE LOCAL IMPROVEMENT DISTRICT NO. 1; DESCRIBING THE BOUNDARIES OF THE PROPOSED DISTRICT AND THE PROPERTY PROPOSED TO BE ASSESSED; GENERALLY DESCRIBING THE IMPROVEMENTS PROPOSED TO BE CONSTRUCTED; STATING THE PORTION OF THE TOTAL COST WHICH WILL BE PAID BY THE LEVY OF ASSESSMENTS AND THAT WHICH WILL BE PAID FROM OTHER SOURCES; DESCRIBING THE METHOD OF ASSESSMENT; STATING THE TIME AND PLACE WHEN AND WHERE PROTESTS MAY BE FILED AND WHEN AND WHERE A PUBLIC HEARING WILL BE HELD TO CONSIDER ANY SUCH PROTESTS; PROVIDING FOR THE EFFECTIVE DATE OF THIS RESOLUTION; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

**NORTH KOOTENAI WATER DISTRICT
Kootenai County, Idaho**

LOCAL IMPROVEMENT DISTRICT NO. 1

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF NORTH KOOTENAI WATER DISTRICT, of Kootenai County, Idaho, as follows:

WHEREAS, the North Kootenai Water District, Kootenai County, Idaho, (the "District"), is a water district operating and existing under and pursuant to the provisions of the Constitution and laws of the State of Idaho, and as such is authorized and empowered to create local improvement districts and to construct improvements pursuant to Idaho Code, Title 50, Chapter 17; and

WHEREAS, Idaho Code Section 50-1707 authorizes the Board of Directors of the District (the "Board") to initiate the formation of a local improvement district by Resolution; and

WHEREAS, the Board is of the opinion that it is in the best interest of the owners of property and of the inhabitants within the proposed Local Improvement District No. 1, and within

the District, that the proposed Local Improvement District No. 1 be formed and the proposed improvements as hereinafter described be constructed.

NOW, THEREFORE, BE IT FURTHER RESOLVED, DETERMINED, AND ORDERED as follows:

Section 1: The District hereby determines and states that it is its intention to form a local improvement district to be designated "North Kootenai Water District Local Improvement District No. 1" ("LID No. 1") to make the improvements as hereinafter set forth. The Board is proceeding to form LID No. 1 as the property within the boundaries of LID No. 1 has been annexed into the District by Order of the Kootenai County District Court entered on or about December 30, 2005. The willingness of the District to proceed with the LID is predicated upon the transfer of certain assets by the Honeysuckle Hills Homeowners Association to the District on or around March 31, 2006.

Section 2: The boundaries of proposed LID No. 1 and of the properties to be assessed are described in Exhibit "A," attached hereto and hereby made a part hereof. The Board is of the opinion that said description is sufficient to inform the owners of the subject property that is proposed to be assessed and the public improvements that are proposed to be constructed therein.

Section 3: A general description of the improvements to be constructed (the "Project") is as follows:

A. The acquisition, construction and installation of approximately 11,500 feet of water line and related appurtenances; and

B. The acquisition of right-of-way and relocation of utilities, if necessary;

together with engineering, legal, accounting, costs of bond issuance, costs of interim financing, costs of financial advice, and other costs incidental thereto. All work will be performed and all materials supplied after a contract for construction of the improvements has been let in the manner that is required by law.

Section 4: The estimated total cost of the proposed Project is approximately \$1,700,000, all of which shall be borne by and assessed against the properties specially benefited by such improvements. The remaining costs of the Project, if any, will be paid by funds derived from special assessments pursuant to Section 5 herein or funds the State of Idaho, and/or other legally available funds.

Section 5: The costs and expenses of the Project to be paid from special assessments shall be assessed against the lots and parcels within proposed LID No. 1 according to the benefits derived method of assessment, all in accordance with Section 50-1707, Idaho Code.

Section 6: All persons who may desire to object to the creation of proposed LID No. 1 are hereby notified to file in writing a protest to the creation of the proposed LID No. 1 with the

District Secretary prior to the date and time set for hearing such protests. Thursday, March 30, 2006, at 12:300 o'clock P.M., at the District Office, 1841 West Hayden Avenue, Hayden, Idaho is hereby fixed as the time and place for public hearing, at which time the owners of property to be assessed within proposed LID No. 1 may appear before the Board of Directors and be heard as to the propriety and advisability of acquiring and improving the Project and which is the time and place when and where the Directors will consider the creation of proposed LID No. 1 and the acquisition, construction and installation of the proposed improvements therein, and hear all complaints, protests, and objections that may be made in writing and filed with the Board on or before said time, by any owner of any parcel of land to be assessed.

Section 7: Notice of hearing shall be given as follows:

A. By publication of such notice substantially in the form attached hereto as Exhibit "B" and hereby made a part hereof, in the official newspaper of the District, which notice shall be published in three (3) consecutive issues thereof if a daily newspaper, or in two (2) consecutive issues if a weekly newspaper.

B. By mailing a copy of such notice substantially in the form attached hereto as Exhibit "C" and hereby made a part hereof, by the Clerk to each record owner of property, if known, or his agent if known, within the boundaries of the proposed LID No. 1, addressed to such person at his post office address, if known, or if unknown, to the post office in Coeur d'Alene, Idaho. Ownership of property shall be determined as of the date of the adoption of this Resolution.

Said notice by publication and notice by mailing shall be given at least ten (10) days before the date of said hearing for protest of the creation of proposed LID No. 1. Proof of publication shall be by affidavit of the publisher and proof of mailing shall be by affidavit of the Clerk.

Section 9: This Resolution shall take effect and be in full force from and after its passage and approval.

DATED this 9th day of March, 2006.

NORTH KOOTENAI WATER DISTRICT
Kootenai County, Idaho

ATTEST:



District Secretary



President, Board of Directors

I, the undersigned, Secretary of the Board of Directors of North Kootenai Water District, of Kootenai County, Idaho, hereby certify that the foregoing Resolution is a full, true, and correct copy of a Resolution duly adopted at a regular/special meeting of the District, duly and regularly held at the regular meeting place thereof on March 9, 2006, of which meeting all members of the Board had due notice and at which a majority thereof were present; and that at said meeting said Resolution was adopted by the following vote:

AYES, and in favor thereof, Directors: *Davis, Berger, Moore, Crimmins, & Fairhurst*

NAYS, Directors: *none*

ABSENT, Directors: *none*

ABSTAIN, Directors: *none*

I further certify that I have carefully compared the same with the original Resolution on file and of record in my office; that said Resolution is a full, true, and correct copy of the original Resolution adopted at said meeting; and that said Resolution 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 the District on March 9, 2006.

Bainhurst

District Secretary

EXHIBIT A



HAYDEN LAKE
Cooper's Bay

Annexation
Boundary

19 20
30 31

20 21
29 30

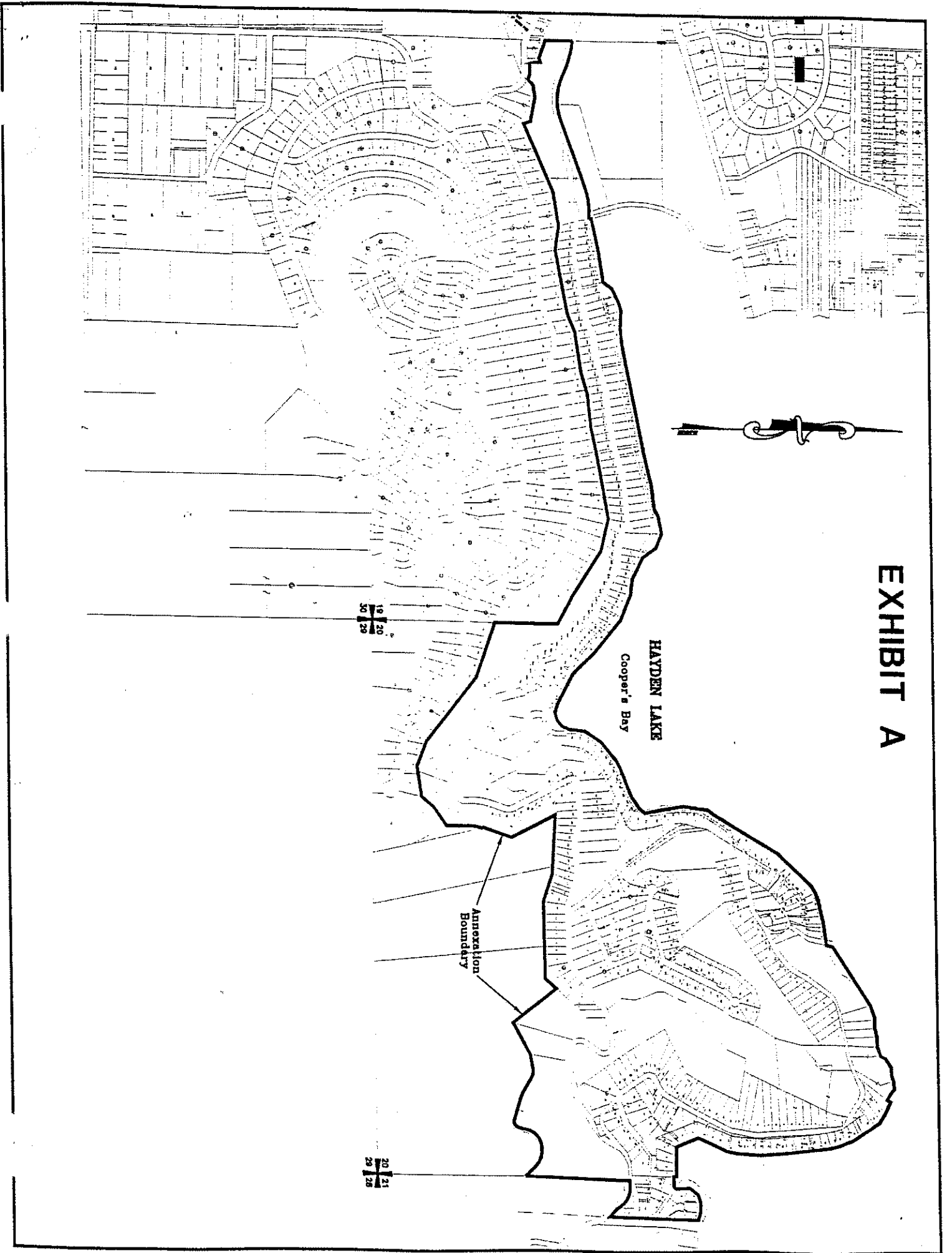


EXHIBIT "B"

NOTICE OF HEARING TO BE PUBLISHED

**NORTH KOOTENAI WATER DISTRICT
Kootenai County, Idaho**

LOCAL IMPROVEMENT DISTRICT NO. 1

**NOTICE OF HEARING ON CREATION
OF LOCAL IMPROVEMENT DISTRICT**

NOTICE IS HEREBY GIVEN that Thursday, March 30, 2006, at the hour of 12:30 o'clock P.M., at 1841 West Hayden Avenue, Hayden, Idaho, has been fixed, pursuant to Resolution No. 2006-03, adopted on March 9, 2006, as the time and place for a public hearing at which time the owners of property to be assessed within proposed Local Improvement District No. 1 ("LID No. 1") may appear before the Board of Directors (the "Board") of the North Kootenai Water District, of Kootenai County, Idaho (the "District"), and be heard as to the propriety and advisability of creating LID No. 1 and acquiring and constructing the Project, as hereinafter described, and as the time and place when and where the Council will consider the creation of the proposed LID No. 1 and the acquisition and construction of the proposed improvements, and hear all complaints, protests, and objections which may be made in writing and filed with the Secretary of the Board on or before said time by any owner of any parcel of land to be assessed.

The boundaries of the proposed LID No. 1 are described in Exhibit "A" attached hereto and hereby made a part hereof.

A general description of the improvements to be constructed (the "Project"), is as follows:

- A. The acquisition, construction and installation of approximately 11,500 feet of water line and related appurtenances; and
- B. The acquisition of right-of-way and relocation of utilities, if necessary;

together with engineering, legal, accounting, costs of bond issuance, costs of interim financing, costs of financial advice, and other costs incidental thereto. All work will be performed and all materials supplied after a contract for construction of the improvements has been let in the manner that is required by law.

The total project cost is approximately \$1,700,000, all of which shall be borne by and assessed against the properties specially benefited by such improvements. It is anticipated that

the remaining costs of the Project, is any, will be paid with by assessments against the specially benefited properties within LID No. 1 or from other funds legally available to the District.

The costs and expenses of the Project to be paid from special assessments shall be assessed against the lots and parcels within the proposed LID No. 1 according to the benefits derived method of assessment for said improvements.

Written protests and objections to the creation of LID No. 1 or to the manner of assessment or inclusion of property therein may be filed by any owner of any parcel of land to be assessed with the Secretary of the Board of Directors at or before 12:30 o'clock P.M. on Thursday, March 30, 2006, by mailing a written protest to the Secretary of the Board, North Kootenai Water District, P.O.Box 2290, Hayden, Idaho, 83835, or by hand delivering said protest or objection to the District office shown above.

DATED this 9th day of March, 2006.

NORTH KOOTENAI WATER DISTRICT,
Kootenai County, Idaho

ATTEST:

President, Board of Directors

District Secretary

**Publish: Three (3) consecutive issues of daily newspaper; or
Two (2) consecutive issues of weekly newspaper**

EXHIBIT "C"

FORM OF NOTICE OF HEARING TO BE MAILED

Property Owner:

Property Description:

Parcel Number:

Estimated Assessment: \$ _____

**NORTH KOOTENAI WATER DISTRICT
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DATED this 9th day of March, 2006.

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Kootenai County, Idaho

ATTEST:

President, Board of Directors

District Secretary

(S E A L)

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Two (2) consecutive issues of weekly newspaper**