

RESOLUTION 2006-04

NORTH KOOTENAI WATER DISTRICT KOOTENAI COUNTY, IDAHO

The Board of Directors of the North Kootenai Water District, "NKWD", during the course of its regular meeting on February 16, 2006, considered the whether it should award the contract for construction of improvements to the soon to be merged Honeysuckle Hills portion of NKWD's water system on the basis of bidding that was submitted the Honeysuckle Hills Homeowners Association on February 17, 2005. A summary of bids that were submitted is attached hereto as Exhibit A. On the basis of such bids, Honeysuckle Hills Homeowners Association determined that it would award the bid to Norm's Utility Contractors, hereinafter "Norm's", on the basis that Norm's was the contractor best qualified to execute the work in a satisfactory manner at a price that was acceptable to Honeysuckle Hills Homeowners Association. The Norm's bid was not the lowest bid. As a result of the impending merger of the Honeysuckle Hills water system into North Kootenai Water District, the construction project will now be executed by NKWD. NKWD has evaluated the bids that were submitted to Honeysuckle Hills Homeowners Association and chosen to award the construction contract to Norm's. The reasons for NKWD's selection of Norm's are as follows:

1. Under its contract with Honeysuckle Hills Homeowners Association, NKWD is obligated to award the contract to Norm's if it can do so while complying with its statutory duties under relevant Idaho law.
2. Honeysuckle Hills Homeowners Association Board of Directors adopted a resolution on February 23, 2006, affirming its prior decision that Norm's is the contractor best qualified to execute the project.
3. The project is to be funded by a local improvement district exclusively consisting of properties within the Honeysuckle Hills Homeowners Association boundaries.

4. Norm's has constructed over \$55,000,000 of work that is similar in nature (water and sewer utility work) between 2000 and 2004, thereby demonstrating extensive experience in executing such work in a satisfactory manner.
5. Norm's project experience list most closely matched the proposed project.
6. Norm's had the highest value of equipment that would be dedicated to the project compared to any other bidder and the equipment was of the type and size necessary for this project.
7. Norm's was the only bidder with an AAA Idaho Public Works License.
8. The specific nature of the project involves substantial risk of environmental damage. Norm's history of prompt response when its work exposes significant environmental risk is excellent and will likely minimize the potential for environmental damage as a consequence of the construction work.

For the foregoing reasons, NKWD proposes to award the contract for construction of the Honeysuckle Hills water system improvements to Norm's.


On motion duly made, seconded and unanimously approved, the Board of Directors of NKWD adopts the foregoing statement of reasons for its choice to award the construction contract for the project referenced above to Norm's Utility Contractors.

PASSED AND APPROVED this 9th day of March, 2006.

NORTH KOOTENAI WATER DISTRICT


CHAIRMAN OF THE BOARD OF DIRECTORS

ATTEST:


Secretary