

RESOLUTION NO. 2008-25

A Resolution of North Kootenai Water District, Kootenai County, Idaho, clarifying the basis upon which mitigation fees are assessed against property owners developing property within the boundaries of the District; providing for an effective date of this resolution; and providing for other matters properly relating thereto.

NORTH KOOTENAI WATER DISTRICT
Kootenai County, Idaho

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

WHEREAS, the North Kootenai Water District ("District") is a duly and properly formed water district under and by virtue of the constitution and laws of the State of Idaho;

WHEREAS, the District is governed by an elected Board of Directors ("Board");

WHEREAS, the Board adopted Ordinance No. 99-4 on May 13, 1999 ("Ordinance No. 99-4") setting forth certain rules of operation for the District providing that fees and charges including capitalization and other fees could be later established or modified by resolution of the District;

WHEREAS, property owners, including developers, approach the District wishing to develop their property in a way that requires an expansion of components of the System in order to provide adequate service for the planned use of the property;

WHEREAS, the Board wishes to follow the process outlined in Ordinance No. 99-4 to set the appropriate process for establishing "mitigation fees" as the term shall be used from herein for additional improvements constructed, as required, to provide service to the users of the System on their property;

WHEREAS, the Board, by publication set a public hearing for Thursday, August 7, 2008 at 12:30 p.m., at which time input was received on the issue of the process for establishing Mitigation Fees, as defined later herein. The Board is now prepared to provide for the enactment of Mitigation Fees;

NOW, THEREFORE, IT IS HEREBY FURTHER RESOLVED as follows:

Section 1: INCORPORATION OF RECITALS

The Board hereby incorporates the recitals set forth herein as a part of this resolution.

Section 2: MITIGATION FEE FACTORS

Mitigation Fees are intended to fund an expansion of the capacity of the Water System ("System") beyond what is currently available (at system build-out of existing parcels) in order to serve a proposed use on unplatted parcels or on existing platted parcels, when the proposed use will increase System demand beyond:

- 1) One equivalent residence (ER) for domestic service on a single parcel; and
- 2) The currently available fire flow or fire storage.

Proposed uses may trigger payment of Mitigation Fees for a portion of the required improvement depending on existing System capacity and the demand of the proposed use.

The following process is used by the District to determine Mitigation Fees:

- 1) Determine the anticipated demands that the proposed property use will impose on the existing System, including:

- a) Average day demand
- b) Peak day demand
- c) Peak hour demand
- d) Fire flow requirements (which are provided by the local fire authority based on proposed use)

- 2) Analyze the existing System capacity with respect for the proposed use.

The following System components will be analyzed using standards adopted by the District and the Idaho Rules for Public Drinking Water Systems:

- a) Source capacity
- b) Storage capacity
- c) Distribution capacity (including transmission mains and booster pumping facilities)

- 3) Based on the System analysis, identify system analysis, identify System capacity deficiencies created by the proposed use and determine improvements required to resolve the System deficiencies.

- 4) Prepare Engineer's Opinion of probable Project Costs (construction, contingency, and engineering) for each improvement identified.

5) Distribute the total project cost between the proposed use or uses based on the equivalent demand imposed by each System.

6) Mitigation Fees will be adjusted annually using the Engineering News Records Construction Cost Index (CCI).

7) Mitigation Fees are collected at the time of the approval of the Final Plat.

Section 3: SEVERABILITY

If any section, paragraph, clause, or provision of this Resolution 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 Resolution.

Section 4: RATIFICATION

The Board hereby ratifies all acts taken by members of the Board and/or agents on behalf of the Board or District relative to the implementation of the Mitigation Fees, and the hearing process is hereby ratified and approved.

Section 5: EFFECTIVE DATE OF RESOLUTION

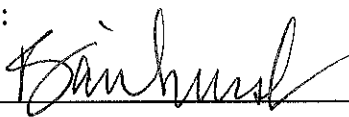
This Resolution shall take effect and be in force and effect from and after its passage and approval.

PASSED at a regular meeting of the Board of Directors of the North Kootenai Water District, held on the 7th day of August, 2008, upon which a roll call vote was duly taken and duly enacted.

NORTH KOOTENAI WATER DISTRICT


Chairman

ATTEST:


Secretary

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I, the undersigned, Secretary of the North Kootenai Water District, Kootenai County, Idaho hereby certify that the foregoing Resolution is a full, true, and correct copy of a Resolution duly adopted at a regular meeting of the Board of Directors, duly and regularly held at a regular meeting place thereof on August 7, 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 Resolution was adopted by the following vote:

AYES, and in favor thereof, Boardmembers: 5

NAYS, Boardmembers: 0

ABSENT, Boardmembers: 0

ABSTAIN, Boardmembers: 0

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 Board on August 7, 2008.



NORTH KOOTENAI WATER DISTRICT

Baird
Secretary