

RESOLUTION NO. 2009-27

A Resolution of North Kootenai Water District, Kootenai County, Idaho, clarifying and confirming the increase in the base capitalization fee and related Meter/Service Size Capitalization Fee Table for 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 and further providing that charges, including capitalization fees could be later established or modified by resolution of the District;

WHEREAS, the Board has followed the processes outlined in Ordinance No. 99-4 to determine that an additional increase in the capitalization fee is warranted;

WHEREAS, the Board by publication as required under Idaho Code previously provided notice to the public that it wished to increase the capitalization fees, provided notice of public hearing on this issue to be conducted on August 7, 2008, prior to the enactment of the increase in the fee, which hearing was conducted and fees were increased;

WHEREAS, the Board wishes to clarify that multiples of the base capitalization fee apply to progressively sized meters and/or service lines and provided for a public hearing to be held on August 6, 2009, to make this clarification and confirm the schedule.

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

Section 1: INCORPORATION OF RECITALS

The Board hereby incorporates the recitals set forth herein, and also in Resolution Nos. 2004-02, 2008-22, 2008-24 and Ordinance No. 99-4 as though they are a part of this resolution.

Section 2: CLARIFICATION OF CAPITALIZATION FEE TABLE

After consideration of the public comment and other testimony received, in examining the factors listed in Resolution No. 2008-22 and information provided by the District staff and engineer, the Board previously determined that the base capitalization fee of the District should be set at \$4,200.00. The Board wishes to clarify that multiples of this base fee will be used to calculate capitalization fees based on meter and service line size as shown in the schedule attached as Exhibit "A" hereto and incorporated herein by this reference.

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 Capitalization Fee schedule, 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.

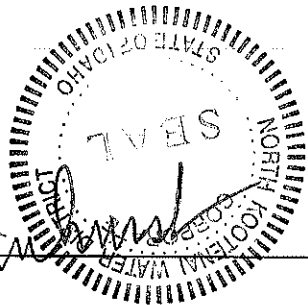
PASSED at a regular meeting of the Board of Directors of the North Kootenai Water District, held on the 6th day of August, 2009, upon which a roll call vote was duly taken and duly enacted.

NORTH KOOTENAI WATER DISTRICT

Shirley L. Staller
Chairman *PS/tem*

ATTEST:

[Signature]
Secretary



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 6, 2009, 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: 3

NAYS, Boardmembers: 0

ABSENT, Boardmembers: 2

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 6, 2009.

NORTH KOOTENAI WATER DISTRICT
[Signature]
Secretary

EXHIBIT "A"

CLARIFICATION OF
INCREASE IN CAPITALIZATION FEES
BY NORTH KOOTENAI WATER DISTRICT

In 2008 the North Kootenai Water District ("District") staff, manager and engineer conducted a review of the costs of the capital infrastructure of the water system ("System") of the District, including the acquisition of the System, costs in improvements to the System since then, capital costs and the capital plan of the District. Based upon the review of these costs and the equity that the current customers of the System have acquired, the Board of Directors ("Board") of the District adopted a base Capitalization Fee of \$4,200, and hereby clarifies the calculations of all capitalization fees based on meter/service size as set forth below in the Meter/Service Size Capitalization Fee Table:

Meter or Service Size	New 2008 Capitalization Fee
1	\$4,200
1.5	\$5,250
2	\$8,400
3	\$33,600
4	\$42,000
6	\$63,000
8	\$84,000