

RESOLUTION NO. 2010-01

A Resolution of North Kootenai Water District, Kootenai County, Idaho, authorizing participation of the District in the CDARS Program; authorizing the execution of documents necessary to participate in the CDARS Program; providing for the 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 electors of the District approved the issuance of water revenue bonds ("Bonds") to finance necessary projects for the District;

WHEREAS, all of the proceeds of the Bonds will not be expended in the short term and the Board wishes to maximize its investment return on the proceeds of the Bonds, which are very safe and secure;

WHEREAS, the staff and Board have investigated various options and have consulted with bankers and its financial advisor on the CDARS Program, which appears to be a program suitable to the District;

WHEREAS, the Board wishes to approve participation in the CDARS Program and authorize execution of the documents to participate in the CDARS Program;

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

Section 1: INCORPORATION OF RECITALS

The recitals set forth herein are hereby incorporated by this reference.

Section 2: APPROVAL OF PARTICIPATION IN THE CDARS PROGRAM

The Board hereby authorizes the participation of the District in the CDARS Program for the investment of the proceeds of the Bonds.

Section 3: AUTHORIZATION OF EXECUTION OF DOCUMENTS

The President, Vice-President, Secretary/Treasurer and/or their designees are authorized to execute all documents necessary to participate in the CDARS Program.

Section 4: MANAGEMENT OF PROCESS FOR CDARS PROGRAM

The District Manager is hereby directed to put in place a process to observe and monitor the investments made in the CDARS Program. The Manager is also directed to report on a regular basis to the Board on the status of investments in the CDARS Program.

Section 5: 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 6: 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 participation in the CDARS Program is hereby ratified and approved, including but not limited to a corporate authorization resolution executed by certain officers of the Board on February 2, 2010.

Section 7: 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 4th day of February, 2010, upon which a roll call vote was duly taken and duly enacted.



ATTEST:

Banhurst
Secretary

NORTH KOOTENAI WATER DISTRICT

Thomas Cr
Chairman

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 February 4, 2010, 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

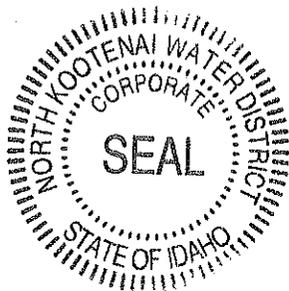
NAYS, Boardmembers: 0

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 February 4, 2010.



NORTH KOOTENAI WATER DISTRICT

Banhurst
Secretary