

RESOLUTION NO. 925

RESOLUTION OF THE BAYVIEW WATER AND SEWER DISTRICT OF TO KOOTENAI COUNTY, IDAHO AUTHORIZE THE REIMBURSEMENT OF FUNDS TO ITS WATER FUND FROM ITS SEWER CONSTRUCTION FUND; PROVIDING FOR THE EFFECTIVE DATE OF THIS RESOLUTION; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

BAYVIEW WATER AND SEWER DISTRICT
Kootenai County, Idaho

LOCAL IMPROVEMENT DISTRICT NO. 1

BE IT RESOLVED BY THE CHAIRMAN AND BOARD OF DIRECTORS OF THE BAYVIEW WATER AND SEWER DISTRICT, OF KOOTENAI COUNTY, IDAHO, as follows:

WHEREAS, the Bayview Water and Sewer District (the "District") is a water and sewer district operating and existing under and pursuant to the laws of the state of Idaho, and as such is authorized and empowered to create local improvement districts to construct improvements pursuant to Title 50, Chapter 17, Idaho Code;

WHEREAS, the Board of Directors (the "Board") of the District by Ordinance No. 88-1, adopted on June 8, 1988 formed Local Improvement District No. 1 for the purpose of constructing a sewer system to serve the residents of the District;

WHEREAS, the Board, by Ordinance No. 88-2, adopted on December 14, 1988, created the Bayview Water and Sewer District Local Improvement No. 1 Construction Fund (the "Construction Fund") in Section 9 of the Ordinance out of which the costs of the acquisition, construction and installation of the sewer system have been paid;

WHEREAS, the District also operates a water system and has a fund into which revenues derived from the operation of the water system are deposited, known as the Bayview Water and Sewer District Water Fund (the "Water Fund");

WHEREAS, the Board authorized the payment of a part of the cost of the construction of the sewer system with funds from the Water Fund, with the intention to reimburse the Water Fund with monies from the Construction Fund when funds were available; and

WHEREAS, construction of the sewer system has been completed and a final accounting of the costs and expenses of the acquisition, construction and installation of the sewer system are being compiled and the Board desires to reimburse the Water Fund

monies borrowed for construction of the sewer system improvements.

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

Section 1. Authorized Expenses Incurred

The following itemized expenses were incurred by the District in the acquisition, construction and installation of sewer system improvements within Local Improvement District No. 1:

DATE	PURPOSE	AMOUNT
5/16/88	Kootenai County, County Printout	\$ 60.50
12/14/88	Print Shop, Newsletter	77.18
12/14/88	Charles Dodson Atty, LID Boundaries	60.00
12/14/88	Lukins & Annis, Ordinance	231.00
01/11/89	CDA Press, Publish Ordinance	531.36
01/19/89	Post Master, Mail Newsletter	55.85
03/23/89	Charles Dodson Atty, Boundary Work	75.00
02/13/89	Print Shop	25.02
03/07/89	Joe Malnerich, Travel Expense for ICDBG	208.00
03/15/89	CDA Press, Publish LID Formation	173.85
08/08/89	Post Master, Mail Newsletter	61.50
09/20/89	Print Shop, Newsletter	<u>52.66</u>
	ADMINISTRATION SUBTOTAL	\$1,611.92
01/11/89	Lukins & Annis, Treatment Site Acquisition	\$1,001.62
02/13/89	CDA Press, Mining Claim Ad	<u>155.70</u>
	LAND ACQUISITION SUBTOTAL	\$1,157.32
05/16/90	CDA Press, Notice of Easements	<u>\$290.00</u>
	EASEMENTS SUBTOTAL	\$290.16
12/14/88	Welch-Comer, State Share	\$1,800.00
03/22/90	Welch-Comer, Local Share	<u>\$3,000.00</u>
	FACILITIES PLAN SUBTOTAL	\$4,800.00
12/14/88	Howard Consultants	\$300.20
01/11/89	Howard Consultants	\$2,658.63
09/01/89	Howard Consultants	\$1,684.80
	TEST HOLES SUBTOTAL	\$4,643.63
	TOTAL REIMBURSEMENT	<u>\$12,503.03</u>

The above expenses were paid with funds from the District's Water Fund with the expectation by the Board that these funds would be repaid from the Construction Fund at or near the time of completion of construction. The Board hereby acknowledges and confirms that the above expenses were incurred and were necessary in the construction of the sewer system improvements within Local Improvement District No. 1. Furthermore, the Board acknowledges its intention to repay the Water Fund these funds that were

borrowed, plus interest at the interest rate the Water Fund would have earned during the time the funds were used for construction of the sewer system improvements.

Section 2. Repayment of Money to Water Fund Authorized

The Board authorizes the following repayment of principal of and interest on the funds referenced in Section 1 from the Construction Fund to the Water Fund shown in Section 1 above, plus interest at the rate of 4 % per annum.

Section 3. Findings and Determination

The Board hereby reaffirms its findings and determination that it was in the best interest of the residents of the District that the interfund loan from the Water Fund to the Construction Fund occurred. Additionally, the Board hereby finds and determines that it has sufficient funds available in the Construction Fund to repay the principal of and interest on the money borrowed from the Water Fund to pay a portion of the costs of the acquisition, construction and installation of sewer system improvements. Finally, the Board hereby finds and determines that it is in the best interest of the residents of the District and the users of both the water and sewer systems, to repay the funds borrowed from the Water Fund, with funds from the Construction Fund.

Section 4. Repealer

All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed, and shall have no further force or effect.

Section 5. Ratification

All actions (not inconsistent with the provisions of this Resolution) heretofore taken by the Board, and its employees, are hereby in all respects ratified, approved, and confirmed.

Section 6. Severability

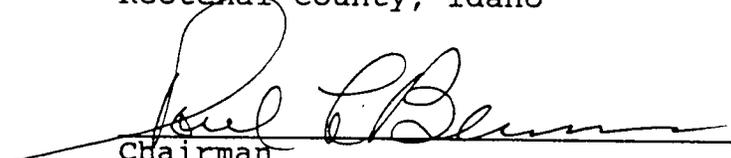
If any one or more of the covenants or agreements provided in this Resolution to be performed on the part of the District shall be declared by any court of competent jurisdiction to be contrary shall be null and void and shall be deemed separable from the remaining covenants and agreements in this Resolution and shall in no way affect the validity of the other provisions of this Resolution.

Section 7. Effective Date

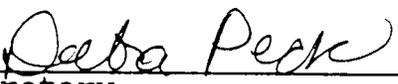
This Resolution shall be effective from and after its adoption.

ADOPTED this 16th day of September, 1992.

BAYVIEW WATER AND SEWER DISTRICT
Kootenai County, Idaho


Chairman

ATTEST:


Secretary

(S E A L)

CERTIFICATION

I, the undersigned Secretary of the Bayview Water and Sewer 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 special meeting of the Board of Directors of the Bayview Water and Sewer District, duly and regularly held at the regular meeting place thereof on September 16, 1992, 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, Directors: Paul Blum,
Barbara Malnerick, LeRoy Ellis, Charles Waller,
NOES, Directors: William Spaulding

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 said District on September 16, 1992.

Debra Peck
Secretary

(S E A L)