

SUMMARY OF
ORDINANCE NO. 92-3

AN ORDINANCE OF THE BAYVIEW WATER AND SEWER DISTRICT, OF KOOTENAI COUNTY, IDAHO, APPROVING AND CONFIRMING THE ASSESSMENT ROLL OF ITS LOCAL IMPROVEMENT DISTRICT NO. 1 FOR THE CONSTRUCTION AND INSTALLATION OF CERTAIN SEWER IMPROVEMENTS WITHIN THE LIMITS OF LOCAL IMPROVEMENT DISTRICT NO. 1; PROVIDING FOR ASSESSMENTS AND FOR THE ISSUANCE OF BONDS; CREATING CERTAIN FUNDS AND ACCOUNTS AND PROVIDING FOR CERTAIN COVENANTS WITH REGARD THERETO; PROVIDING FOR THE APPEAL PROCEDURE; PROVIDING FOR THE PUBLICATION OF THIS ORDINANCE; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

BAYVIEW WATER AND SEWER DISTRICT
Kootenai County, Idaho

LOCAL IMPROVEMENT DISTRICT NO. 1

A summary of the principal provisions of Ordinance No. 92-2 of the Bayview Water and Sewer District, Kootenai County, Idaho, adopted on July 15, 1992, is as follows: Capitalized terms used in this summary shall have the meaning given them in Ordinance No. 92-3

Section 1: Provides for confirmation of the Assessment Roll for LID No. 1.

Section 2: Provides that the property within the boundaries of LID No. 1 will have an assessment levied against it as it appears in the Assessment Roll.

Section 3: Provides that the Secretary of the District is to file the confirmed Assessment Roll with the District Treasurer.

Section 4: Provides that the assessments on the property within the boundaries of LID No. 1 are liens and that the Assessment Roll should be filed with the Kootenai County Recorder.

Section 5: Provides that the property owners have 30 days from the date of the adoption of this Ordinance to prepay their assessments, otherwise they will be deemed to have decided to repay the assessments in 30 equal annual installments plus interest at the effective rate of interest on the LID Bond, plus 1%.

Section 6: Provides that the total cost of the projects, not provided by other sources, will be and are levied and assessed by the benefits derived method of assessment against each of the lots within the boundaries of LID No. 1.

Section 7: Provides that the District Treasurer will establish an LID Docket.

Section 8: Authorizes the issuance of LID No. 1 Bonds by the District.

Section 9: Provides for the creation of Bond and Interest Funds by the District for the payment of the principal if and interest on the LID Bonds.

Section 10: Provides for the creation of Local Improvement District Guarantee Fund for the purpose of, to the extent of the Fund, guarantee the repayment of the principal of and interest on the Bonds.

Section 11: Sets forth the rules for operation of the Guarantee Fund.

Section 12: Provides certain covenants regarding the issuance of future LID bonds.

Section 13: Provides the District with certain powers in the maintenance of the Guarantee Fund.

Section 14: Sets forth the rights of the Registered Owners of the LID Bonds.

Section 15: Provides for an appeal procedure of the amount of assessments and states the process for said appeal. This section also provides that once this 30 day appeal period has expired, no one shall have the cause or right to contest the legality, formality or regularity of any assessment within LID No. 1.

Section 16: Provides for the ratification of proceedings in connection with the creation of LID No. 1.

Section 17: Provides that the Ordinance is irrepealable until the LID bonds and interest thereon are fully repaid.

Section 18: Provides that if any section of the Ordinance is invalid or unenforceable, that invalidity will not affect the remainder of the Ordinance.

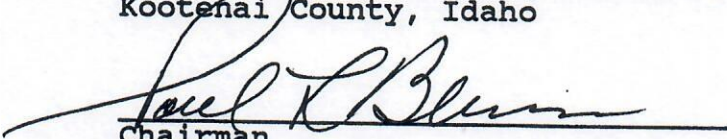
Section 19: Provides that the District will enforce and seek remedies for breaches of the terms of this Ordinance under the laws of the State of Idaho.

Section 20: Provides for a publication of the summary of this Ordinance.

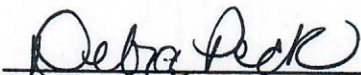
A full text of Ordinance No. 92-3 is available at the office of Bayview Water and Sewer District and will be provided to any citizen upon personal request during normal business hours.

ADOPTED this 16th day of September, 1992.

BAYVIEW WATER AND SEWER DISTRICT
Kootenai County, Idaho


Chairman

ATTEST:


Secretary

(S E A L)

CERTIFICATION OF BOND COUNSEL

I, the undersigned, Bond Counsel for, and legal advisor to, the Bayview Water and Sewer District, Kootenai County, Idaho, hereby certify that I have read the attached Summary of Ordinance No. 92.3 of the above said District, and that the same is true and complete and provides adequate notice to the public of the contents of said ordinance.

DATED this 16th day of September, 1992.

Michael C. Ormsby