

SUMMARY OF ORDINANCE NO. 00-2

AN ORDINANCE OF ELLISPORT BAY SEWER DISTRICT, OF BONNER COUNTY, IDAHO, AMENDING ORDINANCE NO. 98-1 TO PROVIDE A METHOD OF DETERMINING AND PAYING CERTAIN CAPITALIZATION AND OTHER FEES OF THE DISTRICT; PROVIDING FOR THE PUBLICATION OF A SUMMARY HEREOF; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING HERETO

**ELLISPORT BAY SEWER DISTRICT
Bonner County, Idaho**

LOCAL IMPROVEMENT DISTRICT NO. 1

Section 1: Amends Section II – Definitions, by adding definitions of various words and phrases. New definitions include Collection System; Collection System Capitalization Fee; Hook-Up Fee; New User; Treatment System; and Treatment System Capitalization Fee.

Section 2: Amends Section V, subsection B, to provide a basis for determining Hook-Up Fees, and specifying the appropriate accounts of the District into which such amounts shall be deposited.

Amends Section V, subsection C, by providing a method of the determination and collection of Hook-Up Fees, determining the two separate components of the Hook-Up Fee to be a Treatment System Capitalization Fee and a Collection System Capitalization Fee, and provides for the priority of application of the Hook-Up Fees.

Amends Section V, subsection D, by changing the source of money to the Depreciation Fund.

Section 3: Provides that aside from specific stated amendments, no other changes or amendments whatsoever are made to Ordinance No. 98-1.

Section 4: Provides that if any one or more of the covenants or agreements provided in the Ordinance are declared by any court of competent jurisdiction to be contrary to law, then such covenants or agreement shall be null and void and shall be deemed separable from the remaining covenants and agreements in the Ordinance and shall in no way affect the validity of the other provisions of the Ordinance.

Section 5: Repeals any prior resolution or ordinance inconsistent with Ordinance No. 00-2 to the extent of such inconsistency.

Section 6: Provides for publication of this summary once in the official newspaper of the District. Any contest or proceeding to question the validity or legality of the Ordinance shall be brought in court by any person for any cause whatsoever after the expiration of thirty (30) days from the publication hereof, after such time the validity thereof shall be conclusively presumed.

Section 7: States that the Ordinance shall be full force and effect after its passage and publication.

A full text of Ordinance No. 00-2 is available at the office of the Secretary of Ellisport Bay Sewer District and will be provided to any citizen upon personal request during normal business hours.

ADOPTED this 11th day of February, 2000.

ELLISPORT BAY SEWER DISTRICT

ATTEST:


Chairman


Secretary


(SEAL)

CERTIFICATION OF BOND COUNSEL

I, the undersigned Bond Counsel for the Ellisport Bay Sewer District, of Bonner County, Idaho, hereby certify that I have read the attached Summary of Ordinance No. 00-002 of 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 11th day of February, 2000.

PRESTON GATES & ELLIS LLP


Michael C. Ormsby, Bond Counsel

CERTIFICATION

I, the undersigned Secretary of Ellisport Bay Sewer District, of Bonner 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 said District, duly held at the regular meeting place thereof held on February 11, 2000, 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: 3


NOES, Directors: 2

ABSENT, Directors: 1

ABSTAIN, Directors: 2

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 February 11, 2000.


Secretary

(SEAL)

Revised December 15, 1998

ELLISPORT BAY SEWER DISTRICT

WASTEWATER SERVICES

ORDINANCE NO. 98-1

AN ORDINANCE FOR THE ELLISPORT BAY SEWER DISTRICT, BONNER COUNTY, IDAHO, REGULATING AND ADMINISTERING WASTEWATER COLLECTION AND DISPOSAL; PROVIDING FOR DEFINITIONS APPLICABLE TO AND USED IN THE ORDINANCE; PROVIDING FOR MAINTENANCE RESPONSIBILITIES APPLICABLE TO THE SYSTEM; PROVIDING FOR USE OF PUBLIC SEWERS AND MONTHLY USER AND OTHER FEES; PROVIDING FOR CAPITALIZATION FEES; PROVIDING FOR ENFORCEMENT OF THE PROVISIONS OF THIS ORDINANCE AND THE RULES AND REGULATIONS OF THE DISTRICT; PROVIDING FOR ESTABLISHING AND AMENDING FEES BY LATER ADOPTED RESOLUTIONS; PROVIDING FOR SAVINGS AND SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION OF THIS ORDINANCE AND THE EFFECTIVE DATE OF THE ORDINANCE; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO.

BE IT ORDAINED BY THE CHAIRMAN AND BOARD MEMBERS OF THE ELLISPORT BAY SEWER DISTRICT, BONNER COUNTY, IDAHO.

SECTION I: PURPOSE

It is hereby determined and declared to be necessary for and conducive to the protection of the health, safety, and welfare of the public and the inhabitants of the ELLISPORT BAY SEWER DISTRICT in Bonner County, Idaho, hereinafter referred to as the "DISTRICT", for the purpose of the elimination of interim sewer systems, which includes individual on-site systems and community septic tank and drainfields, and for the purpose of the administration of new collection and treatment facilities, hereby adopts this Ordinance: (a) To charge and collect service charges or user fees upon all lots served by or benefited by the sewerage system, which system and facilities may consist generally of all land, pipe lines, conduits, manholes, cleanouts, pump stations, buildings, lagoons, and irrigation facilities of the system; (b) To collect capitalization fees to provide for a portion of the cost of replacement of aging or purchase of new collectors, interceptors, and sewage treatment facilities.

SECTION II: DEFINITIONS

Unless the context specifically indicates otherwise, the meaning of the terms used in this Ordinance shall be as follows:

Backwater Valve (Device): A backwater valve is a device installed in a drainage system to prevent reverse flow as required in the Uniform Plumbing Code, 1997, Sections "204" and "710.6".

Board: The Board of Directors of the District.

Boarding House: Any building or portion thereof which includes separate bedrooms for rent and common kitchen and/or bathroom facilities.

BOD5: Biochemical oxygen demand shall mean the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five (5) days at 20°C, expressed in milligrams per liter (mg/L).

In determining the net system value, the principal amount of outstanding bonds for an LID or any assessment bonds shall not be subtracted from the gross system value.

3. It is hereby required that beginning one year following passage of this Ordinance and every year thereafter, the Board Members of the DISTRICT shall meet and shall calculate the collector Fees to be charged by the DISTRICT pursuant to the foregoing formula for that particular year. The calculation of Fees shall be made pursuant to the formula specified in this Ordinance, and shall not be based upon any budgetary needs except for the mandate that the sewer system shall be self-supporting.
4. A portion of the Fee collected from new users will go toward debt reduction of the original bond. Initially, the Board determines that an amount equal to twenty-five percent (25%) of the capitalization fee collected shall be deposited into an account for the payment of principal and interest on the LID bond. This figure may change by order of the Board.

D. Depreciation Fund

Depreciation Fund for Sewer Collector and Treatment Facility Depreciation: There is hereby created a depreciation fund dedicated to the preliminary engineering, design, and construction of collectors, interceptors, pump stations, sewer treatment facilities, and obligations for the treatment facility. Funds derived from the charge of the capitalization fee and the collection and treatment system depreciation fee shall be placed in this dedicated depreciation fund. The money so reserved may only be utilized for preliminary engineering, design and construction of collectors, interceptors, pump stations, sewer treatment facilities, and obligations for the treatment facility and money from said reserve fund is not to be utilized for regular operation and maintenance of the sewerage system, except that up to five percent (5%) of the annual receipts can be utilized to administer the capitalization fee and collector depreciation program.

SECTION VI: REPEALER CLAUSE

Other ordinances or resolutions of the DISTRICT, or parts thereof, in so far as they are in conflict with this Ordinance, are repealed and rescinded.

SECTION VII: SEVERABILITY CLAUSE

If any section, paragraph, sentence, or provision hereof or the application thereof to any particular circumstance shall ever be held invalid or unenforceable, such holding shall not affect the remainder hereof, which shall continue in full force and effect and shall be applicable to all circumstances in which it may validly apply.

SECTION VII: CHANGE IN FEES BY RESOLUTION

The DISTRICT reserves the right to establish and/or change fees by Resolution at a regular Board meeting.

SECTION IX: ENFORCEABILITY CLAUSE

The DISTRICT shall enforce and seek remedies for breaches of the terms of this Ordinance, as provided by the Laws of the State of Idaho.

SECTION X: EFFECTIVE DATE

This Ordinance shall be in full force and effect upon its publication according to law in the Bonner County Daily Bee, a newspaper of general distribution in the region of Idaho in which the DISTRICT is located, and it is hereby designated as the Official Newspaper for publication of this Ordinance.

5. The DISTRICT reserves the right to adjust a particular ER factor (both with respect to collection of additional capitalization fees and with respect to assessment of greater or lesser O&M charges) in the case of a change in use or in discharge of a particular User. The DISTRICT may negotiate the ER calculation for a new connection and adjust the value after a reasonable period to verify actual use (typically one year).
6. The DISTRICT shall use a figure of 69,500 gallons per day for the treatment capacity of the system constructed by LID #1 in discussing and determining capitalization fees..

C. Method for Collecting Capitalization Fee (Fee)

The DISTRICT shall collect from new Users an applicable capitalization connection fee. The fee shall be based on an equitable buy-in to collectors installed by previous LIDs, the DISTRICT, or others. Policies for establishing the basis for the fee shall be adopted by the DISTRICT's Board.

1. The value of the system is determined each year by taking the original construction cost of each major capital improvement to the system and determining the cost to replace that improvement in that particular year. This is accomplished by determining the Engineering News Record Construction Cost Index (ENR-CCI) in the year that the improvements were made and the year that the Fee is being determined. The ENR-CCI for the year that the Fee is being calculated is divided by the ENR-CCI for the year in which the improvements were made. This value is then multiplied by the original cost for the improvements. The value obtained is the estimated cost to replace the improvements at the time the Fee is calculated. The gross value to replace the system shall be adjusted by subtracting the remaining bond principal to be retired and the unfunded depreciation to obtain the net value. The remaining bond principal to be paid for bond retirement is determined from the bond retirement schedule each year. The remaining bond interest is not subtracted from the gross system value.
2. The unfunded depreciation is figured from the date of implementation of the New User Charge Ordinance. The basis for determining the yearly depreciation is to distribute the original cost of the improvement uniformly over the life of the improvement. The life of each improvement to the collector system is assigned as follows:

Collection, Treatment and Interceptor System 50 years
 Pump Stations, Irrigation System 20 years

The cumulative unfunded depreciation from the date of implementation of the User Charge Ordinance to the year that the Fee is being determined for is subtracted from the gross system value, along with the remaining revenue bond principal to obtain the net system value. Following is the equation for determining the net system value of any system component or combination of system components:

$$\text{Net system value} = \text{gross system value} \div \text{number of Ers of capacity}$$

The connection Fee is then determined by dividing the net system value by the design capacity of the system component expressed in equivalent residential Users (ERs). The design capacity of the system component is determined by the DISTRICT's Engineer based upon the DISTRICT's policy and sound engineering practices.

The owner or agent of all properties connecting to the public sewer system shall pay a depreciation Fee per equivalent residence (ER) or fraction thereof as may be assigned to the property by the District for the value of sewer collector service. A copy of the Fee and calculations for the period from January 1, 1999 through November 30, 1999 is attached as Exhibit A.

ORDINANCE NO. 00-2

AN ORDINANCE OF ELLISPORT BAY SEWER DISTRICT, OF BONNER COUNTY, IDAHO, AMENDING ORDINANCE NO. 98-1 TO PROVIDE A METHOD OF DETERMINING AND PAYING CERTAIN CAPITALIZATION AND OTHER FEES OF THE DISTRICT; PROVIDING FOR THE PUBLICATION OF A SUMMARY HEREOF; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING HERETO

**ELLISPORT BAY SEWER DISTRICT
Bonner County, Idaho**

LOCAL IMPROVEMENT DISTRICT NO. 1

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF ELLISPORT BAY SEWER DISTRICT, of Bonner County, Idaho, as follows:

WHEREAS, Ellisport Bay Sewer District (the "District"), of Bonner County, Idaho, is a 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 its Local Improvement District No. 1 for the purpose of constructing improvements to its sewer system and facilities pursuant to Idaho Code, Title 50, Chapter 17, and to issue bonds to pay the costs of said improvements;

WHEREAS, on December 15, 1998, the District adopted Ordinance No. 98-1, regulating and administering wastewater collection and disposal; and

WHEREAS, the District wishes to modify and clarify certain provisions of Ordinance No. 98-1, as it relates to the payment of certain fees of the District;

NOW, THEREFORE, BE IT FURTHER ORDAINED as follows:

Section 1: AMENDMENT OF SECTION II OF ORDINANCE NO. 98-1

Section II: Definitions of Wastewater Services Ordinance No. 98-1 is hereby amended to add the following definitions. (Added language underlined, deleted language ~~overstricken~~)

"Collection System" is defined as all the interceptors and collection facilities including main pump stations #1, #2, and #3 installed in Hope and East Hope .

“Collection System Capitalization Fee” shall be that amount collected from each New User who connects to the Collection System that represents an equitable buy-in to the Collection System installed within LID #1.

“Hook-Up Fee” shall mean a fee based on an equitable buy-in to collectors installed by previous LIDs, the District or others.

“New User” is defined as the owner of property who did not participate in LID No. 1.

“Treatment System” is defined as all the lagoon facilities installed on the Hope Peninsula including pump station #4 and the main interceptor between pump stations #3 and #4.

“Treatment System Capitalization Fee” is a portion of the Hook-Up Fee to be collected from each “New User” that represents a portion of the present value of the Treatment System utilized by the New User that shall be provided or replaced at a future date.

Section 2: AMENDMENT OF SECTION V OF ORDINANCE NO. 98-1

Section V, subsection B, is hereby amended to provide as follows:

B. Basis for Determining ~~Capitalization Fees~~ Hook-Up Fees

1. The DISTRICT shall collect from all new Users applicable under this section, the appropriate capitalization fee for existing platted lots at the time the application for service is approved, and for existing developed parcels prior to connecting to the sewer system; this money shall be placed in the appropriate accounts of the District as described in Section C-4 herein. ~~a special fund for utilization by the DISTRICT for sewer, interceptor, collection, and treatment system construction.~~

2. For new plats in subdivisions and modifications and extensions of previously approved plats, the capitalization fees shall be paid or a financial guarantee acceptable by the DISTRICT shall be provided.

3. The capitalization fee shall be equal to the number of ERs calculated in Section IV of this Ordinance times the capitalization fee for a single family residence. In no case shall the capitalization fee be less than that for one single family residence (one ER) or the amounts set forth in Section C-3 herein.

4. The capitalization fees may be adjusted annually by the DISTRICT. The Board may consider the various factors set forth in this Ordinance and in State law in making their review of the capitalization fee and possible decision to adjust it.

5. The DISTRICT reserves the right to adjust a particular ER factor (both with respect to collection of additional capitalization fees and with respect to assessment of greater or lesser O&M charges) in the case of a change in use or in discharge of a particular User. The DISTRICT may negotiate the ER calculation for a new connection and adjust the value after a reasonable period to verify actual use (typically one year).

6. The DISTRICT shall use a figure of 69,500 gallons per day for the treatment capacity of the system constructed by LID #1 in discussing and determining capitalization fees..

Section V, subsection C, is hereby amended to provide as follows:

C. Method for Collecting ~~Capitalization Fee (Fee)~~ Hook-Up Fee

The DISTRICT shall collect from New Users an applicable capitalization connection fee or Hook-Up Fee. The fee shall be based on an equitable buy-in to collectors installed by previous LIDs, the DISTRICT, or others. Policies for establishing the basis for the Hook-Up Fee shall be adopted by the DISTRICT's Board. Notwithstanding the following, the Hook-Up Fee shall not be less than is provided in Section 3 herein.

1. The value of the system is determined each year by taking the original construction cost of each major capital improvement to the system and determining the cost to replace that improvement in that particular year. This is accomplished by determining the Engineering News Record Construction Cost Index (ENR-CCI) in the year that the improvements were made and the year that the Hook-Up Fee is being determined. The ENR-CCI for the year that the Hook-Up Fee is being calculated is divided by the ENR-CCI for the year in which the improvements were made. This value is then multiplied by the original cost for the improvements. The value obtained is the estimated cost to replace the improvements at the time the Hook-Up Fee is calculated. The gross value to replace the system shall be adjusted by subtracting the remaining revenue bond principal to be retired and the unfunded depreciation to obtain the net value. The remaining revenue bond principal to be paid for bond retirement is determined from the bond retirement schedule each year. The remaining bond interest or local improvement district bond principal is not subtracted from the gross system value.

2. The unfunded depreciation is figured from the date of implementation of the New User Charge Ordinance. The basis for determining the yearly depreciation is to distribute the original cost of the improvement uniformly over the life of the improvement. The life of each improvement to the collector system is assigned as follows:

- Collection, Treatment and Interceptor System 50 years
- Pump Stations, Irrigation System 20 years

The cumulative unfunded depreciation from the date of implementation of the User Charge Ordinance to the year that the Hook-Up Fee is being determined for is subtracted from the gross system value, along with the remaining revenue bond principal to obtain the net system value. Following is the equation for determining the net system value of any system component or combination of system components:

Net system value = gross system value ÷ number of ERs of capacity

The ~~connection~~ Hook-Up Fee is then determined by dividing the net system value by the design capacity of the system component expressed in equivalent residential Users (ERs). The design capacity of the system component is determined by the DISTRICT's Engineer based upon the DISTRICT's policy and sound engineering practices.

The owner or agent of all properties connecting to the public sewer system shall pay a depreciation Fee per equivalent residence (ER) or fraction thereof as may be assigned to the property by the District for the value of sewer collector service. A copy of the Fee and calculations for the period from January 1, 1999 through November 30, 1999 is attached as Exhibit A.

In determining the net system value, the principal amount of outstanding bonds for an LID or any assessment bonds shall not be subtracted from the gross system value.

3. The Hook-Up Fee shall consist of two separate components:

(a) Treatment System Capitalization Fee: The District shall collect from each "New User", herein defined as the owner of property who did not participate in LID No. 1, a fee (Treatment System Capitalization Fee) that represents a portion of the present value of the Treatment System utilized by the New User that shall be provided or replaced at a future date. The monies collected from the Treatment System Capitalization Fees shall be placed in a special fund by that name for utilization by the District for Treatment System design and construction and obligations and repairs thereof or as otherwise provided for in this Agreement. For purposes of this Agreement the treatment system (Treatment System) is defined as all the lagoon facilities installed on the Hope Peninsula including pump station #4 and the main interceptor between pump stations #3 and #4. Each New User shall pay a Capitalization Fee of not less than \$6,082.00 per ER, which is the amount attributable to the Treatment System, including pump station #4.

(b) Collection System Capitalization Fee: For purposes of this Agreement the collection system (Collection System) is defined as all the interceptors and collection facilities including main pump stations #1, #2, and #3 installed in Hope and East Hope . The District shall collect a fee from each New User who connects to the Collection System (Collection System Capitalization Fee) that represents an equitable buy-in to the Collection System installed within LID #1. The basis for the Collection System Capitalization Fee is to charge the value of the Collection System capacity that the New User will utilize. The monies collected from the Collection System Capitalization Fee shall be placed in a special fund by that name for utilization by the District for design and construction to replace or enlarge the Collection System and for obligations related thereto and repairs thereof or as otherwise provided for in this Agreement. Collection System Capitalization Fees shall not be used for extension of the Collection System to New Users. Each New User shall pay a Collection System Capitalization Fee of \$7,123.00 if they hook-up to the Collection System. It is specifically understood by the Parties hereto that properties located outside the boundaries of LID No. 1 desiring to

hook-up to the Sewerage System that do not use the Collection System are not included in this Collection System Capitalization Fee plan, but must provide their own Collection System, constructed and installed to District standards. Any properties desiring to utilize the District's Treatment System only, after providing their own collection system, shall pay the Treatment System Capitalization Fee of \$6,082.00 per ER.

4. Application of Hook-Up Fees: Funds received by the District for Hook-Up Fees shall be applied in the following order of priority:

(a) The approximate sum of \$2,178.00 (50% of the amount of the assessment for LID No. 1) of each Hook-Up Fee shall be deposited into the Bond Fund of the District and shall be applied to the LID No. 1 Bond interest and principle due on the next payment date. Each assessment payment next falling due shall be credited with a pro rata share of each Hook-Up Fee deposited into the Bond Fund and the next annual assessment payment for each property shall be reduced said amount for that year.

(b) The first \$10,000.00 realized on an annual basis from Hook-Up Fees not expended in (a) above, shall be deposited into the Replacement Fund for LID No. 1 as required by the Idaho Department of Environmental Quality. If the Replacement Fund is fully funded, the District shall not include an amount in its O&M Charges to any users of the Sewerage System for this fund.

(c) The remaining monies collected for Hook-Up Fees not expended in (a) or (b) above shall be deposited into the appropriate Capitalization Fund for the District to be used as set forth herein. Additionally, up to five percent (5%) of the annual receipts collected may be utilized to administer the Capitalization Funds, as well as the administration of projects financed from the proceeds of these fees.

3.5. It is hereby required that beginning one year following passage of this Ordinance and every year thereafter, the Board Members of the DISTRICT shall meet and shall calculate the collector Fees to be charged by the DISTRICT pursuant to the foregoing formula for that particular year. The calculation of Fees shall be made pursuant to the formula specified in this Ordinance, and shall not be based upon any budgetary needs except for the mandate that the sewer system shall be self-supporting.

4.6. A portion of the Fee collected from new users will go toward debt reduction of the original bond. Initially, the Board determines that an amount equal to twenty-five percent (25%) of the capitalization fee collected shall be deposited into an account for the payment of principal and interest on the LID bond. This figure may change by order of the Board.

Section V, subsection D, is hereby amended to provide as follows:

D. Depreciation Fund

Depreciation Fund for Sewer Collector and Treatment Facility Depreciation: There is hereby created a depreciation fund dedicated to the preliminary engineering, design, and construction of collectors, interceptors, pump stations, sewer treatment facilities, and obligations for the treatment facility. ~~Funds derived from the charge of the capitalization fee and the collection and treatment system depreciation fee shall be placed in this dedicated depreciation fund.~~ The money so reserved may only be utilized for preliminary engineering, design and construction of collectors, interceptors, pump stations, sewer treatment facilities, and obligations for the treatment facility and money from said reserve fund is not to be utilized for regular operation and maintenance of the sewerage system, except that up to five percent (5%) of the annual receipts can be utilized to administer the capitalization fee and collector depreciation program.

Section 3: REMAINDER OF ORDINANCE NO. 98-1 TO REMAIN

Aside from the specific amendment stated herein, no other changes or amendments whatsoever are made to Ordinance No. 98-1 of the District.

Section 4: SEVERABILITY

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

Section 5: REPEALER

All prior resolutions or ordinances inconsistent herewith are hereby repealed and shall, to the extent of such inconsistency, have no further force or effect.

Section 6: PUBLICATION

Pursuant to Section 50-1727, Idaho Code, this Ordinance, or a summary thereof in compliance with Section 31-715A, Idaho Code, shall be published once in the official newspaper of the District. Any contest or proceeding to question the validity or legality of this Ordinance, or of any ordinance, resolution, or proceedings heretofore taken with respect to LID No. 1, shall be brought in court by any person for any cause whatsoever after the expiration of thirty (30) days from the publication of this Ordinance, and after such time the validity, legality and regularity of this Ordinance and any ordinance, resolution, or proceedings with respect to LID No. 1, shall be conclusively presumed.

Section 7: EFFECTIVE DATE

This Ordinance shall take effect and be in force from and after its passage, approval and publication as provided herein.

Passed under a suspension of the rules at a special meeting, after proper notice, on February 11, 2000.

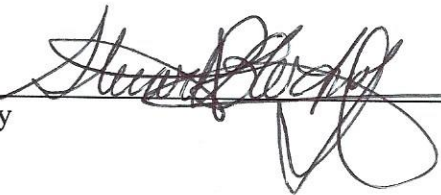
ADOPTED this 11 day of February, 2000.

ELLISPORT BAY SEWER DISTRICT



Chairman, Board of Directors

ATTEST:



Secretary

(SEAL)

CERTIFICATION

I, the undersigned, Secretary of the Board of Directors of Ellisport Bay Sewer District, of Bonner County, Idaho, HEREBY CERTIFY that the foregoing Ordinance is a full, true and correct copy of a Ordinance duly adopted at a regular meeting of the Board of said District, duly held at the special meeting place thereof on February _____, 2000, 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 Ordinance was adopted by the following vote:

AYES, and in favor thereof, Directors:

NOES, Directors:

ABSENT, Directors:

ABSTAIN, Directors:

I FURTHER CERTIFY that I have carefully compared the same with the original Ordinance on file and of record in my office; that said Ordinance is a full, true and correct copy of the original Ordinance adopted at said meeting; and that said Ordinance 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 February 11, 2000.



Secretary

(SEAL)