

SUMMARY OF  
ORDINANCE NO. 97-1

**ORDINANCE CREATING LOCAL IMPROVEMENT DISTRICT NO. 1 OF THE ELLISPORT BAY SEWER DISTRICT, OF BONNER COUNTY, IDAHO; DESCRIBING AND SETTING FORTH THE BOUNDARIES OF SAID DISTRICT; PROVIDING FOR THE IMPROVEMENTS TO BE MADE THEREIN; APPOINTING AN ENGINEER TO PREPARE THE NECESSARY PLANS AND SPECIFICATIONS FOR THE WORK; AUTHORIZING THE ADVERTISING FOR BIDS FOR SAID WORK AS PROVIDED BY LAW; PROVIDING FOR THE PAYMENT OF COSTS AND EXPENSES OF SAID IMPROVEMENTS TO BE ASSESSED AGAINST THE PROPERTY WITHIN THE DISTRICT BENEFITTED THEREBY AND THE METHOD OF ASSESSMENT; PROVIDING FOR THE ISSUANCE OF LOCAL IMPROVEMENT DISTRICT BONDS AND WARRANTS; PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO**

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

**LOCAL IMPROVEMENT DISTRICT NO. 1**

A summary of the principal provisions of Ordinance No. 97-1 of the Ellisport Bay Sewer District, of Bonner County, Idaho, adopted on April 22, 1997, is as follows:

**Section 1:** The Board of Directors of the District (the "Board") finds and declares that the formation of Local Improvement District No. 1 ("LID No. 1") will be in the best interests of the property affected; that there is reasonable probability that the obligations of LID No. 1 will be paid; that the value of property subject to assessment within LID No. 1 exceeds the sum of the estimated costs to be assessed against the property; and that the Board has heard, considered, and passed upon all protests which were filed in writing or heard during public testimony and has considered the same.

**Section 2:** The Board creates Ellisport Bay Sewer District Local Improvement District No. 1.

**Section 3:** States the improvements to be made within LID No. 1 as the acquisition, construction and installation of sewage transmission lines, collection lines, pump stations and sewage treatment facilities.

**Section 4:** States the total estimated cost of the Project is approximately \$4,216,000, of which \$1,190,000 (or approximately 29%) will be paid from special assessments against property located in LID No. 1 calculated by the benefits derived method of assessment.

**Section 5:** Provides that remaining costs will be paid by bond and/or grant funds from the State of Idaho, Division of Environmental Quality and the United States, or legally available funds.

**Section 6:** States what costs and expenses will be included in the price of the Project.

**Section 7:** The Board finds that such apportionment is equitable and is based upon the special benefits each parcel will receive from the Project.

**Section 8:** Authorizes the issuance of bonds or bond anticipation notes, if necessary, for the immediate payment of the costs of the improvements.

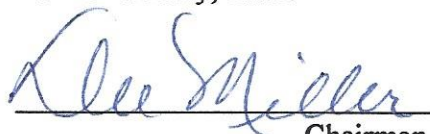
**Section 9:** Incorporates all matters and things done in regard to the creation of LID No. 1 as part of this Ordinance.

**Section 10:** States that the Ordinance shall take effect after its passage, approval, and publication one time in the official newspaper of the District.

A full text of Ordinance No. \_\_\_\_\_ 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.

DATED this 22nd day of April, 1999.

ELLISPORT BAY SEWER DISTRICT  
Bonner County, Idaho

  
\_\_\_\_\_  
Chairman

ATTEST:

  
\_\_\_\_\_  
Secretary

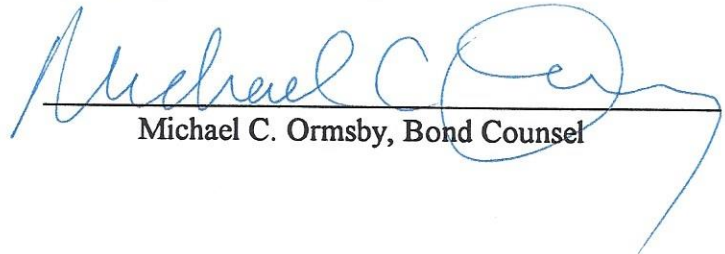
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**CERTIFICATION OF BOND COUNSEL**

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. 97-1 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 22nd day of April, 1997.

**PRESTON GATES & ELLIS LLP**

  
Michael C. Ormsby, Bond Counsel

ORDINANCE NO. 97-1

**AN ORDINANCE CREATING LOCAL IMPROVEMENT DISTRICT NO. 1 OF ELLISPORT BAY SEWER DISTRICT, OF BONNER COUNTY, IDAHO; DESCRIBING AND SETTING FORTH THE BOUNDARIES OF SAID DISTRICT; PROVIDING FOR THE IMPROVEMENTS TO BE MADE THEREIN; AUTHORIZING THE ADVERTISING FOR BIDS FOR SAID WORK AS PROVIDED BY LAW; PROVIDING FOR THE PAYMENT OF COSTS AND EXPENSES OF SAID IMPROVEMENTS TO BE ASSESSED AGAINST THE PROPERTY WITHIN THE DISTRICT BENEFITED THEREBY AND THE METHOD OF ASSESSMENT; PROVIDING FOR THE ISSUANCE OF LOCAL IMPROVEMENT DISTRICT BONDS AND WARRANTS; PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO**

**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, of Bonner County Idaho, (the "District"), is a municipal corporation operating and existing under and pursuant to the provisions of the Constitution and laws of the State of Idaho, and as such is authorized and empowered to create local improvement districts and to construct improvements pursuant to Idaho Code, Title 50, Chapter 17; and

WHEREAS, Idaho Code Section 50-1706 authorizes the Board of Directors of the District (the "Board") to create local improvement districts within the District for the purpose of acquiring, constructing and installing certain improvements and appurtenances, together with engineering, legal, accounting, costs of bond issuance, and other costs incidental thereto as authorized by law (the "Project"), and to finance said improvements by the issuance and sale of local improvement district bonds or warrants, which bonds or warrants are payable solely from assessments upon the property benefited by said improvements; and

WHEREAS, in 1990 and 1991, after approximately 27% of the owners of property within the proposed boundaries of LID No. 1 signed a petition requesting the improvements, the Board formed LID No. 1 with the adoption of Ordinance No. 91-4 on December 5, 1991, which formation, due to the passage of time, the Board has determined should be re-created and confirmed; and

WHEREAS, the Board has heretofore, by Resolution No. 97-2, adopted on March 18, 1997, declared its intention to reconfirm and re-create a local improvement district to be designated "Ellisport Bay Sewer District Local Improvement District No. 1" ("LID No. 1"); described the boundaries of proposed LID No. 1 and the improvements to be constructed therein; set forth the total estimated cost and the method of assessment; fixed the time and date for a public hearing to create proposed LID No. 1 and determined that it is in the best interests of the residents of the District to form proposed LID No. 1 and to acquire, construct and install such improvements; and

WHEREAS, after proper publication and mailing of notice to the property owners of the Board's intention to re-create proposed LID No. 1, a public hearing was held by the Board on Tuesday, April 22, 1997, at which hearing the residents and owners of property within the proposed LID No. 1 had the opportunity to appear and to protest, both in writing and verbally, or support the formation of the proposed LID No. 1;

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

**Section 1:** The Board hereby finds and declares:

- A. That the formation of LID No. 1 will be in the best interests of the property owners affected and of the residents of the District;
- B. That there is a reasonable probability that the obligations of LID No. 1 will be paid;
- C. That the value of the property subject to assessment within LID No. 1 (such value being determined by the current assessed valuation of such property for ad valorem tax purposes, as shown by the records of the Assessor of Bonner County), exceeds the sum of the estimated costs to be assessed against the property included in LID No. 1; and
- D. That the Board has heard, considered, and passed upon all protests which were filed in writing in advance of the hearing, which protests are attached hereto and incorporated herein collectively as Exhibit "A". After consideration of all public testimony and comment, the Board desires to move forward with the confirmation and re-formation of LID No. 1.

**Section 2:** There is hereby created and established a local improvement district within Ellisport Bay Sewer District, of Bonner County, Idaho, to be designated "Ellisport Bay Sewer District Local Improvement District No. 1" ("LID No. 1"), the boundaries of which local improvement district are set forth in Exhibit "B", which is annexed hereto and by reference made a part of this Ordinance.

**Section 3:** The improvements to be made within LID No. 1 are as follows:

A. The acquisition, construction and installation of sewage transmission lines, collection lines and pump stations; and

B. The acquisition, construction and installation of sewage treatment facilities, including, but not limited to, a storage area for treated effluent, land disposal facilities, spray-irrigation land application facilities and related appurtenances;

together with engineering, legal, accounting, costs of bond issuance, costs of interim financing, costs of financial advice, and other costs incidental thereto. All work will be performed and all materials supplied after the advertisement for bids therefore by giving notice calling for sealed bids for the construction of work.

**Section 4:** The total estimated cost of the proposed Project is approximately \$4,216,000, of which \$1,190,000, (or approximately 29%), shall be paid from special assessments against the lots and parcels within proposed LID No. 1 according to the benefits derived method of assessment.

**Section 5:** The remaining costs of the Project will be paid from bond and/or grant funds from the State of Idaho, Division of Environmental Quality and from the United States of America, or other legally available funds.

**Section 6:** Costs and expenses as herein provided shall include the contract price of the improvements, engineering and clerical services, advertising, costs of inspection, costs of collecting assessments, interest on any warrants issued to temporarily pay for the improvements, and for legal services for preparing the proceedings and in advising in regard thereto, and for the costs of acquiring land, if necessary.

**Section 7:** The Board hereby finds that such apportionment is equitable and is based upon the special benefits each parcel will receive from the Project.

**Section 8:** To provide for the immediate payment of the improvements herein provided for, pending the payment of the installments on special assessments hereinabove provided for, the District may issue bonds or bond anticipation notes as provided in Idaho Code §§ 50-1715, 50-1722, and 50-1724. For the purpose of making payments for said improvements as the same are installed, prior to the issuance or sale of bonds, the District may issue warrants against LID No. 1 special assessments, payable to the contractor or other persons upon the

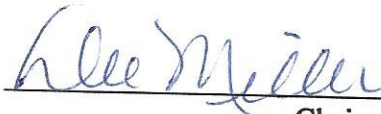
estimate of the engineer for the District, bearing interest at not in excess of allowable limitations as determined by the Board, which bond anticipation notes or warrants, together with interest thereon to the date of the issuance of the bonds, if issued, shall be redeemed and retired by the proceeds of special assessments paid in full and proceeds of the sale of said bonds.

**Section 9:** All matters and things done and performed in regard to the confirmation and re-creation of said LID No. 1, and each and all of the provisions thereof in regard to all of said matters concerning the creation of LID No. 1 and the doing of the improvements and payment thereof, are hereby expressly incorporated as part of this Ordinance.

**Section 10:** This Ordinance shall take effect and be in full force from and after its passage, approval, and publication of a summary thereof one time in the official newspaper of the District.

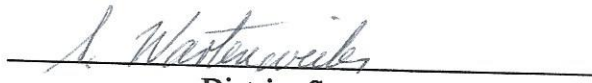
DATED this 22nd day of April, 1997.

ELLISPORT BAY SEWER DISTRICT,  
Bonner County, Idaho



Chairman

ATTEST:

  
District Secretary

(SEAL)

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I, the undersigned, District Secretary of Ellisport Bay Sewer District, of Bonner County, Idaho hereby certify that the foregoing Ordinance is a full, true, and correct copy of an Ordinance duly adopted at a regular meeting of the District, duly and regularly held at the regular meeting place thereof on April 22, 1997, 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, Boardmembers: 3

NAYS, Boardmembers: 0

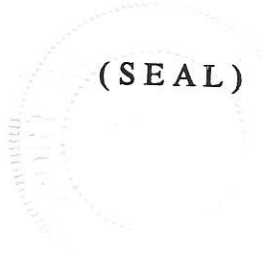
ABSENT, Boardmembers: 1

ABSTAIN, Boardmembers: 1

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 the District on April 22, 1997.

L. Wooten  
Secretary





**EXHIBIT "B"**

**PROPERTY DESCRIPTION - LID No. 1 BOUNDARIES**

**ATTACHMENT A**  
**ELLISPORT BAY SEWER DISTRICT**  
**LEGAL DESCRIPTION**

Those portions of Sections 1 and 2, Township 56 North, Range 1 East, and of Sections 26, 27, 34, 35 and 36, Township 57 North, Range 1 East, Boise Meridian, Bonner County, Idaho, described as follows:

Commencing at the point where the Northerly Corporate Limits of the City of Hope intersect the mean high water line of Lake Pend Oreille, said Corporate Limits also being the section line common to Sections 27 and 34, Township 57 North, Range 1 East, said point being the TRUE POINT OF BEGINNING; thence along said Corporate Limits the following courses:

leaving said mean high water line East along the aforesaid common section line to the section corner common to Sections 26, 27, 34 and 35;

thence East along the section line common to Sections 26 and 35 to the Quarter Corner common to said Sections 26 and 35;

thence South along the North-South Center-of-Section line of said Section 35 to the Northeast Corner of Lot 1 of Small's Addition;

thence leaving said Northeast Corner, East across Charles Street to the Northwest Corner of Tax No. 1;

thence Easterly along the North line of said Tax No. 1 to the Northeast Corner of said Tax No. 1;

thence Southerly along the East line of said Tax No. 1 to the Northerly right-of-way of Strong Creek-Wellington Road;

thence leaving said Northerly right-of-way, Southeasterly to the Southerly right-of-way of Strong Creek-Wellington Road and the Northeast Corner of Tax No. 95;

thence leaving said right-of-way, Southeasterly to the most Northeasterly Corner of Tax No. 94;

thence Southwesterly along the Southeasterly line common to Taxes No. 94, Tax No. 84, Tax No. 100, Tax No. 97, and Tax No. 79 to the East-West Center-of-Section line of said Section 35 and the Northerly Corporate Limit of the City of East Hope;

thence along the Corporate Limits of the City of East Hope the following courses:

East along the aforesaid Center-of-Section line of said Section 35 to the West boundary of Tax No. 59;

thence leaving said Center-of-Section line North along said West line of Tax No. 59 to the Northwest Corner of said Tax No. 59;

thence Easterly along the North line of said Tax No. 59 to the Northeast Corner of said Tax No. 59;

thence Southerly along the East line of said Tax No. 59 to the aforesaid East-West Center-of-Section line of said Section 35;