

MINUTES OF BOARD OF DIRECTORS OF
HAYDEN LAKE RECREATIONAL WATER AND SEWER DISTRICT

The Board of Directors (the “Board”) of the Hayden Lake Recreational Water and Sewer District, Kootenai County, Idaho (the “District”) met in special public session at the its offices at 9393 N. Strahorn Rd., Hayden Lake, Idaho, 83835, on November 5, 2012, at 2:30 P.M.

The following Directors were present in person or via telephone: Chairman Ken Sewell, Todd Walker and Dave Weinstein.

Others Present: Larry Comer, District Engineer, Danielle Quade, Bond Counsel, Mike Schmidt, District Counsel (via telephone) and District Administrator Lynn Hagman.

Board member Weinstein moved to approve the agenda for this meeting, seconded by Board member Walker. The motion carried.

The Board Chair announced to the Board that the meeting was called as a special meeting, on an emergency basis, pursuant to Section 67-2343, Idaho Code. The purpose of the meeting is to i) amend Resolution No. 2012-04 adopted October 24, 2012 (the “Original Resolution”) to correct Section 4 thereof to reflect the accurate cost of the Improvements, as defined in the Original Resolution, to be \$10,400,000 instead of \$10,400, and to correct Section 5 to reschedule the date of the public hearing to comply with notice requirements related to the creation of the Hayden Lake Recreational Water and Sewer District Local Improvement District No. 7A (“LID No. 7A”); and ii) approve and adopt the Amended Notice of Public Hearing to correct the cost of the Improvements, to reflect \$10,400,000 instead of \$10,400.

Copies of the proposed Amended Resolution No. 2012-04 and Amended Notice of Public Hearing and have been presented to the Board for consideration and approval.

Waiver of Special Meeting (Emergency)

Board member Weinstein made a motion, seconded by Board member Walker that by roll call vote, the Directors waive written 24-hour notice of this meeting as required by Section 67-2343, Idaho Code, for the reason that a failure to hold the meeting immediately would result in financial loss, longer notice was impracticable due to the recent discovery of the error, and further delay would increase the likelihood or severity of potential injury, damage, loss, and cost to the District.

Those waiving notice: Chairman Sewell, Board member Weinstein, Board member Walker

Those not waiving notice:

Those absent: Board member DePew and Board member Stringer

Adoption of Amended Resolution and Notice

The forms of Amended Resolution No. 2012-04 (the “Amended Resolution”) and Amended Notice of Public Hearing (the “Amended Notice”) were then introduced.

The following motion was made by Director Weinstein and seconded by Director Walker:

It is hereby moved i) that the Original Resolution be amended to correct Section 4 thereof to reflect the accurate cost of the Improvements, as defined in the Original Resolution, to be \$10,400,000 instead of \$10,400, and to correct Section 5 to reschedule the date of the public hearing for November 28, 2012 to comply with notice requirements related to the creation of the Hayden Lake Recreational Water and Sewer District Local Improvement District No. 7A; ii) that the Notice of Public Hearing be amended to correct the cost of the Improvements, to reflect \$10,400,000 instead of \$10,400 and reschedule the date of public hearing for November 28, 2012; and iii) that the forms of the Amended Resolution and Amended Notice be adopted and approved.

Upon vote, the motion passed pursuant to the following vote:

AYE: All

NAY: None

The Amended Resolution was thereupon signed by the Chairman, attested by the District Secretary and ordered recorded in the records of the District. The Amended Notice of Hearing shall be published in the Coeur d’Alene Press in three consecutive daily issues and shall be mailed to each owner of property in the proposed LID No. 7A.

Pursuant to motion duly made and carried, the meeting was adjourned at 2:50 p.m.

Chairman, Board of Directors

ATTEST:

District Secretary

CERTIFICATION OF EXTRACT OF
PROCEEDINGS OF BOARD OF DIRECTORS OF
HAYDEN LAKE RECREATIONAL WATER AND SEWER DISTRICT

STATE OF IDAHO)
) ss.
COUNTY OF KOOTENAI)

I, _____, do hereby certify that I am the duly qualified Administrator of the Board of Directors of the Hayden Lake Recreational Water and Sewer District, Kootenai County, Idaho.

I further certify that the foregoing constitutes a true and correct copy of the minutes of a special meeting of the Board of Directors of the District held at its offices at 9393 N. Strahorn Rd., Hayden Lake, Idaho, 83835, on Monday, November 5, 2012, all as recorded in the regular official book of minutes of the proceedings of the Board, kept in my office, insofar as the same refer to or concern the Amended Resolution and Amended Notice adopted therein; the Directors of the District have been given notice this date via email or phone call of the time and place of this special meeting; no news media have requested notification of meetings; therefore, no further notifications have been made with respect to the special meeting; and the proceedings were duly had and taken as herein shown; and that the persons therein named were present at the meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of November 2012.

District Administrator