

State of Idaho

Department of State

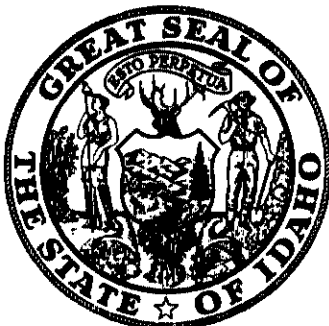
CERTIFICATE OF INCORPORATION OF

HOODOO VIEW ESTATES WATER CORPORATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of HOODOO VIEW ESTATES WATER CORPORATION duly signed pursuant to the provisions of the Idaho Nonprofit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated: October 16, 1992



Pete T. Cenarrusa
SECRETARY OF STATE

By *[Signature]*

ARTICLES OF INCORPORATION
OF
HOODOO VIEW ESTATES WATER CORPORATION
(A Non-profit Corporation)

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KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned persons, all of whom are citizens of the United States of America and of full age, have this day voluntarily associated ourselves together for the purpose of forming a non-profit corporation without capital stock, under and pursuant to the laws of the State of Idaho, and that we do hereby make, acknowledge and declare the following to be our Articles of Incorporation.

ARTICLE I.

The name of this corporation shall be "HOODOO VIEW ESTATES WATER CORPORATION".

ARTICLE II.

This corporation is a non-profit corporation, and shall have no capital stock; and no dividends or pecuniary profits shall be declared to the members thereof.

ARTICLE III.

The objects and purposes for which this corporation is formed are as follows:

1. To acquire and own real estate and personal property, including water rights, water lines, mains, easements, pumps, pumping fixtures and equipment, water licenses and permits, franchises, and any other property item or effect that may become instrumental for the purposes of which the corporation is organized.

2. To supervise, manage, distribute, control and supply water to the members of the corporation, and to acquire, maintain

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control, expand, improve and repair water sources and systems and conduct all business necessary or instrumental to the same.

3. To make assessments and charges to members for water and water system appurtenances furnished in connection therewith, which assessments and charges shall be disbursed by the corporation only in payment for expenses of such water system and water system appurtenances.

4. To perform any lawful act necessary to the acquisition, ownership, maintenance, and expansion of water system or systems, and the distribution of water, and any other lawful act necessary or advisable in the furtherance of the corporation.

ARTICLE IV.

The name of the initial registered agent of the corporation shall be Raymond L. Troutt, and the location and Post Office address of the initial registered office of the corporation shall be at the Pines Trailer Court on Highway 200, four miles West of the City of Priest River, with a mailing address of Post Office Box 21, Priest River, Idaho 83856.

ARTICLE V.

The duration of this corporation shall be perpetual.

ARTICLE VI.

Each owner of an improved property in any residential subdivision which shall be served by the water system or systems of the corporation shall be eligible for membership in the corporation. Such membership shall at all times be identified with the owner of the improved property or improved properties and no member shall be subject or conditioned upon approval of the Board of Directors or other members. There shall be one voting right for each improved property served by the system and owned by the members, whether owned in community, jointly, or separately. Voting rights and membership and continuation thereof shall be dependent upon the ownership of an improved property served by a

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water system of the corporation and there can be no expulsion of a member or cancellation of voting rights of such member so long as he is so qualified.

Voting may be by proxy in writing, dated and signed by a member; provided, however, no such proxy shall be valid beyond eleven (11) months after its execution, nor binding upon a transferee of an improved property from the person executing such proxy.

ARTICLE VII.

Assessments and charges of the corporation shall be made as to each improved property owned by a member and in the event of the failure of a member to pay assessments and charges, the corporation may suspend water service to such improved property during the time any assessment or charge is unpaid following due date thereof. Upon payment of any delinquent assessment or charge, together with a reasonable charge for terminating and restoring service, water service must be promptly restored.

Unpaid assessments or charges, including reasonable charges for terminating and restoring service if service has been terminated, must be paid by a transferee of a membership or a member acquiring another improved property, and unless so paid, service may be suspended or if suspended, such suspension shall continue as above provided.

ARTICLE VIII.

Nothing in these Articles shall be construed as restricting the ownership of improved properties and no provision shall be made in the Bylaws of the corporation which shall so restrict ownership.

ARTICLE IX.

Bylaws not inconsistent with the Articles of Incorporation may be adopted, altered, amended or repealed at any regular meeting of the members, or at any special meeting of the members of the corporation called for that purpose, by the affirmative vote of

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two-thirds (2/3) of the members present at such meeting; provided, however, a quorum, which shall be a majority of the eligible votes, shall be present through members and proxy.

ARTICLE X.

The business of this Association shall be managed by a Board of Directors consisting of three directors. The names and addresses of the initial directors shall be as follows:

<u>Name:</u>	<u>Address:</u>
Raymond L. Troudt	Post Office Box 21 Priest River, Idaho 83856
Lorraine Troudt	Post Office Box 21 Priest River, Idaho 83856
Rodney L. Troudt	Post Office Box 21 Priest River, Idaho 83856

The qualification, terms of office, manner of election and powers and duties of such directors shall be as may be prescribed by law, these Articles, and such Bylaws as may from time to time be in force.

ARTICLE X.

No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its members, directors, officers or other private persons except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda directly attempting to influence legislation or actively participating in any political campaign on behalf of any candidate for public office. Nothing contained herein however shall forbid the corporation from publicly stating its position on any issue or question of legitimate concern to or relevant to the purposes for which the corporation has been organized. Notwithstanding any other provisions of these Articles, the corporation shall not carry on any other activities not


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permitted to be carried on (a) by a corporation exempt from federal tax under Section 501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law), or, (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law).


ARTICLE XI

Upon liquidation, dissolution or abandonment of the corporation for any purpose, the Board of Directors shall, after paying or making provisions for the payment of all of the lawful liabilities of the corporation, dispose of all of the remaining assets of the corporation to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under said Section 501(c)(3) of the Internal Revenue Code (or the corresponding provisions of any future United States Internal Revenue Law) as the Board of Directors shall determine.

IN WITNESS WHEREOF, we have hereunto set our hands this 15 day of October, 1992.


Raymond L. Trout - Registered Agent
Post Office Box 21
Priest River, Idaho 83856


Lorraine Trout
Post Office Box 21
Priest River, Idaho 83856


Rodney L. Trout
Post Office Box 21
Priest River, Idaho 83856

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