

CERTIFICATE OF INCORPORATION OF

CLEAR BROOK WATER USERS ASSOCIATION, INC.

| ABSOCIATION, INC. | |
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| 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 | |
| | |
| | Corporation Clerk |

ARTICLES OF INCORPORATION

OF

CLEAR BROOK WATER USERS ASSOCIATION, INC.

THE UNDERSIGNED, a full age citizen of the United States and a resident of the State of Idaho, does hereby voluntarily create a nonprofit corporation under the provisions of Chapter 3, Title 30, Idaho Code Annotated, and amendments thereto.

ARTICLE I

The name of this Association shall be the Clear Brook Water Users Association, Inc.

ARTICLE II.

The purposes for which this Association is formed are:

- A. To associate its members together for their mutual benefit, and to that end to construct, own, maintain and operate, cooperatively a private water system for the supplying of water for household, domestic and pet watering purposes for its members, and to engage in any activity related thereto, including, but not limited to, the acquisition of water by appropriation, drilling, pumping and /or purchase, and the purchase, ownership, installation, operation, maintenance, and repair of wells, pumping equipment, mains, pipe lines, valves, meters and all other equipment necessary to the construction, maintenance and operation of the system.
- B. To borrow from any source, money, goods or services without limitation as to amount of corporate indebtedness or liability; and to pledge or mortgage any of its property as

security therefor in any manner permitted by law, provided that such funds may be used only to carry out the necessary functions and purposes of the Association.

- C. To acquire, and to hold, own and exercise all rights of ownership in and to sell, transfer or pledge shares of capital stock or bonds, or become a member or a shockholder of any ocrporation or association if such is necessary to carry out the functions of the Association.
- D. To buy, lease, hold or exercise all privileges of ownership in and to the real or personal property as may be necessary or convenient for the conduct and operation of the business of the Association or incidental thereto.
- E. To establish reserves and to invest the funds thereof in stocks, bonds and other property as the board of directors may deem satisfactory, provided that such funds and the earnings derived therefrom shall be used solely to pay expenses incurred by the Association to carry out its purposes.
- F. To set fees and levy assessments in such manner and in such amount as may be provided in the by-laws of this Association, provided that said funds are used solely to pay expenses incurred by the Association to carry out its purposes.
- G. To have and exercise all powers, privileges and rights conferred on nonprofit corporations by the laws of the State of Idaho not inconsistent with the above stated purposes or the provisions of Chapter 3, Title 30, of the Idaho Code.
- H. No substantial part of the activities of this
 Asociation shall consist of carrying on propaganda or otherwise

attempting to influence legislation, and this Association shall not participate in any political campaign.

ARTICLE III.

The street address of the Association's registered office and the name of its initial registered agent at such address are: Randy J. Stoker, 317 6th Ave. N., Twin Falls, Idaho. The Asociation may maintain offices and conduct its business at such other places within the State of Idaho as the board of Directors may determine.

ARTICLE IV.

The period of existence of this Association shall be perpetual. This Association is a nonprofit corporation created pursuant to Idaho Code, Title 30, Chapter 3.

ARTICLE V.

Subject to the Association's power to assess its members, the private property of the members shall not be subject to payment of Association debts to any extent whatsoever, nor shall the members be personally liable for the Association's debts or obligations.

ARTICLE VI.

- A. This Association shall not have capital stock, but membership; ownership and voting rights shall be evidenced by membership certificates.
- B. Under the terms and conditions prescribed in its bylaws this Association shall admit as members only those persons, groups of persons, organizations or corporations holding the legal title to, or having an equitable interest in, a lot located

in Clear Brook Acres Subdivision, according to the official plat thereof, records of Twin Falls County, State of Idaho. Membership is appurtenant to such lot ownership or interest. Voting is limited to one vote per lot. The membership of every person or entity having a qualifiying interest in a lot shall be evidenced by a certificate of membership issued in the name of one of such persons or entities designated by the others. absence of such designation the certificate shall be issued in the name of the person or entity to which 1983 real property tax assessment notices are sent. Any notice, including assessment notices, sent by the Association to members with respect to a lot, shall be adequate if deposited in the United States mail addressed to the person or entity in whose name the certificate of membership for that lot is issued at the address designated on such certificate or such other address a that person may subsequently designate to the Association secretary in writing.

- C. The joint voting power and property rights and interests of all of the members having an interest in any lot in good standing, shall be equal to the actual number of lots served by the well. Assessments against members and a determination of their liabilities shall be fixed by the by-laws of the Association.
- D. The members holding a majority of the votes entitled to be cast, present in person or represented by proxy, at any meeting of members regularly called shall constitute a quorum for the conduct of business at such meeting in accordance with the notice thereof.

E. This Association is organized on a nonprofit basis for the mutual benefit of its members and consequently will not have profits from which to pay dividends on its capital. After all expenses of the Association have been paid and reasonable reserves as determined by the board of directors set aside, the net earnings of the Association shall be accumulated in a surplus fund for the purpose of replacing, enlarging, extending and repairing the facilities and property of the Association, and for such other purposes as the board of directors may determine to be for the best interest of the Association consistent with its purposes.

ARTICLE VII.

The Board of Directors is authorized to levy assessments upon all memebers in order to pay the costs incurred by the Association in order to carry out its purposes. The assessments shall be uniform within each of the following classes with respect to each lot:

A. The cost of power to operate the pump or pumps shall be born equally by each lot upon which a residence is constructed or a temporary residence is maintained.

All other costs shall be born equally by all of the lots within the Clear Brook Water Users Association.

The Board of Directors shall, from time to time in its discretion, fix the amount of assessments and shall determine when such assessments are to be paid. Payment of Assessments shall be enforceable by the Board by action or by the forfeiture of membership or both, upon notice given in writing 20 days before com-

mencement of such action or forfeiture. Assessments shall be secured by a lien on the lot to which membership is appurtenant.

ARTICLE VIII.

The domestic water system serving Clear Brook Water Users Association consists of:

1. Well Site: Part of Lot 1 in Block 5 of Clear Brook Acres Subdivision, Twin Falls, County, Idaho, according to the official plat thereof, recorded in Book 8 of Plats, page 21, records of Twin Falls, County, Idaho, more particularly described as follows:

BEGINNING at the Northeast corner of Lot 1, Block 5 of Clear Brook Acres Subdivision in the Southeast quarter of Section 11, Township 10 South, Range 16 E, B.M., Twin Falls, County, Idaho: Thence South 29°17" East along the Northeast line of said Lot 1 for a distance of 115 feet to the TRUE POINT OF BEGINNING: THENCE South 60°43' West parallel to the Northwest line of said Lot 1 for a distance of 100 feet to a point on the South line of said Lot 1; THENCE South 89°34' East along the South line of said Lot 1 for a distance of 80.5 feet to the tangent point of the curve to the left whose radius is 20 feet: THENCE along a curve to the left at its tangent point on the Northeast line of Lot 1, that is South 29°17' East and 140 feet Southeast of the Northeast corner of Lot 1; THENCE North 29°17' West for a Distance of 25 feet to the TRUE POINT OF BEGINNING.

- 2. A nominal amount of water line leading from the pump house;
- 3. Distributin lines conveying the water to each lot served.
 - 4. Pump.
 - 6. Easements for the water lines.

All of these facilities shall be owned by Clear Brook Water Users

STATE OF IDAHO

)ss.

County of Twin Falls)

On this 19th day of April, 1983, before me, the undersigned a Notary Public for Idaho, personally appeared Randy J. Stoker, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public for Idaho

Residing at Jerome