

CERTIFICATE OF INCORPORATION OF

ALGOMA ADDITION WATER AND SEWER 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 ______

ALGOMA ADDITION WATER AND SEWER 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.



SECRETARY OF STATE

Corporation Clerk

 $v^{(n)} = v^{(n)} + v^{(n)} = v^{(n)}$ Articles of Incorporation of

ALGOMA ADDITION WATER AND SEWER CORPORATION

An Idaho Nonprofit Corporation

The undersigned, acting as incorporator of a corporation under the Idaho Nonprofit Corporation Act adopts the following Articles of Incorporation for such corporation.

NAME: The name of the corporation is ALGOMA ADDITION WATER AND SEWER CORPORATION.

DURATION: The period of its duration is perpetual.

PURPOSES: The purposes for which the corporation is organized is to distribute water to its members and to collect and treat sewage from its members, in connection only with use of those certain lands situated in Bonner County, Idaho, more particularly described as:

Algoma Addition, and Algoma Addition Commercial Park, according to the plats thereof as recorded in Records of Bonner County, Idaho.

GENERAL POWERS: For the purposes of the corporation and in aid thereof, the corporation shall have power to acquire, develop and operate a permanent water supply and a permanent sewage collection and treatment facility. corporation shall have power to dig, bore, drill and otherwise excavate wells and tunnels; to construct and operate pumping plants and pipelines, water storage, treatment and distributing systems, and sewage collection and treatment systems; to purchase, lease, or otherwise acquire and own, hold, mortgage, pledge, sell and deal in real and personal property of all kinds; to erect buildings and plants; to lend and borrow money; to execute mortgages, deeds of trust and pledges of real and personal property; to subscribe for, purchase, or otherwise acquire, hold, own, pledge, sell, or otherwise dispose of stocks, bonds, collections, conveyances of indebtedness and securities owned by persons, firms or other corporations; and to do all other necessary and convenient things to accomplish the above stated purpose of this corporation.

NON-PROFIT CORPORATION. The corporation is organized solely for the purpose of delivering water to, and collecting and treating sewage from its members at cost, and shall supply water to or collect and treat sewage from no one

except its members, and to them only at cost, and only for use on and the benefit of the real property hereinbefore described. The corporation shall not sell, distribute or lend water or sewage treatment services for profit.

MEMBERSHIP RESTRICTION: Membership in the corporation shall be limited to persons owning fee title to all or a part of the foregoing described property. No person not holding fee title to such property may become or remain a member of the corporation. Membership in the corporation shall be represented by a certificate of membership, which shall be appurtenant to the land served by such membership.

MEMBERSHIP CERTIFICATES. The corporation shall issue cetificates representing membership in the corporation. The certificates shall have no par value. The corporation shall be authorized to issue fifty (50) such memberships.

ASSESSABILITY OF MEMBERSHIP: Shares in the corporation shall be assessable by resolution of the board of The actual cost of management and operation of directors. the business of the corporation shall be met by water and sewage rates and charges for availability and delivery of water and availability and operation of the sewage collection and treatment facility. Whenever the board of directors deems it advisable to fix rates and charges for water, such rates and charges shall be fixed by pro-rating the cost of operating the water and sewage system to the members of the corporation, and may include in the discretion of the board of directors items for depreciation and for maintenance of equipment and for readiness of the systems. All such rates and charges shall be fixed in the manner required by law to preserve the private ownership of the water rights of the corporation and the delivery of its water as a mutual water company.

The corporation shall have a lien on each membership for all assessments of water and sewage rates and The corporation shall provide for the enforcement charges. of all such liens, and the sale or forfeiture of membership for failure to pay any assessment, rate or charge, and shall not be required to transfer membership on its books, or to furnish water or sewage treatment services on account of any membership to such member or any person claiming under such member, or to the land to which such membership may at the time be appurtenant, unless and until all rates and charges are paid, at the time and in the manner provided by these articles, and the by-laws of the corporation. The corporation when making such sale is hereby constituted the attorney-in-fact for such member and for any person claiming under such member for the purpose and with the power to sell or forfeit the membership, and to sever such membership from

the land to which it may be appurtenant.

VOTING OF MEMBERSHIPS: Each membership in the corporation shall be entitled to one vote on each matter submitted to a vote at a meeting of the members.

DIRECTORS: The number of directors constituting the initial board of directors of the corporation is three, and the names and addresses of the persons who are to serve as directors until the first annual meeting of members, or until their successors are elected and qualified are:

Elberta Walker 8002 East Sprague Spokane, WA 99212 Robert Wiebe N. 422 Best Rd. Spokane, WA 99206 Pete Bascetta N. 716 Raymond Spokane, WA 99206

REGISTERED OFFICE AND AGENT: The name and street address of the initial registered agent of the corporation is:

Jonathan W. Cottrell 304 Main Street Sandpoint, Id. 83864

INCORPORATOR: The name and street address of the incorporator of this corporation is:

Elberta Walker 8002 E. Sprague Spokane, Wa. 99212

Dated this 2 day of

1984.

Elborts Wallson