



## Department of State.

### CERTIFICATE OF INCORPORATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho, do hereby certify that the original of the articles of incorporation of

**COTTONWOOD POINT WATER & SEWER ASSOCIATION, INC.**

was filed in the office of the Secretary of State on the 24th day of August A. D. One Thousand Nine Hundred Seventy-six and will be / is duly recorded on ~~film~~ ~~now~~ microfilm of Record of Domestic Corporations, of the State of Idaho, and that the said articles contain the statement of facts required by Section 30-103 and Sections 30-1001 to 30-1005, inclusive, Idaho Code.

I FURTHER CERTIFY, That the persons executing the articles and their associates and successors are hereby constituted a corporation, by the name hereinbefore stated, for perpetual existence from the date hereof, with its registered office in this State located at St. Maries, Idaho in the County of Benewah and as such are subject to the rights, privileges and limitations granted to Non-Profit Cooperative Associations as provided in Chapter 10, Title 30, Idaho Code.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of Idaho, this 24th day of August A.D., 19 76 .

Secretary of State.

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ARTICLES OF INCORPORATION SECRETARY OF  
OF STATE

COTTONWOOD POINT WATER & SEWER ASSOCIATION, INC.

We, the undersigned citizens of the United States, do hereby voluntarily associate ourselves together for the purpose of forming a non-stock cooperative association under the provisions of Chapter 10, Title 30, Idaho Code Annotated, and amendments thereto.

ARTICLE I

The name of this Association shall be Cottonwood Point Water & Sewer Association, Inc.

ARTICLE II.

The nature of the business of the Association and the objects and purposes for which this Association is formed are:

- a. To associate its members together for their mutual benefit, and to that end to acquire, construct, maintain, and operate a private water system for the supplying of water for household and fire suppression purposes to its members, and a private sewage collection and disposal system for said 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, installation, operation, maintenance, and repair of wells, pumping equipment, water mains, sewer mains, pipe lines, valves, meters, sewage lagoons or other treatment facilities, and all other equipment necessary to the construction, maintenance and operation of a water system and a sewer 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.

- 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 stockholder of any Corporation or Association engaged in any related activities,
- d. To buy, lease, hold, and 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.
- f. To levy and collect assessments, connection charges, water and sewer charges and other service or maintenance fees in such manner and in such amount as may be provided in the by-laws of this Association.
- g. To have and exercise all powers, privileges, and rights conferred on corporations by the laws of the State of Idaho and all powers and rights incidental in carrying out the purposes for which this Association is formed, except such as are inconsistent with the express provisions of the act under which this Association is incorporated or with these Articles.

The foregoing shall be construed both as objects and powers and the enumeration thereof shall not be held to limit or restrict in any manner the general powers conferred on this Association by the laws of the State of Idaho, all of which are hereby expressly claimed.

### ARTICLE III

The place where the principal business of the Association is to be transacted is St. Maries, County of Benewah, State of Idaho, but the Association may maintain offices and places of business at such other places within or outside the State of Idaho as the board of directors may determine.

#### ARTICLE IV

The period of existence of this Association shall be perpetual.

#### ARTICLE V

The private property of the members shall not be subject to payment of Association debts or obligations to any extent whatsoever.

#### ARTICLE VI

Section 1. This Association shall not have capital stock, but its capital shall be represented by membership certificates.

Section 2. Under the terms and conditions prescribed in its By-Laws, this Association shall admit as members only such persons, groups of persons, organizations or corporations owning property to which the deliver of water and from which collection of sewage, or either of such services, is desired and having a reasonable accessibility to the water system and sewer system constructed, maintained and operated by the Association; provided, however, the Association shall not be required to admit additional member at any time that, in the opinion of the Board of Directors, the capacity of its water system or its sewer system is fully required by the needs of its existing members.

Section 3. The membership fee in this Association shall be fixed and determined by its by-laws. The voting power and property rights and interest of each member whose fees are fully paid and who is in good standing shall be equal and each member shall be entitled to one vote only. New members upon their admission to this Association shall

be entitled to one vote and shall share in the property of the Association equally with the old members. When a member has paid his membership fee in full he shall receive a certificate of membership. Assessments against members and a determination of their liabilities shall be fixed by and made only in accordance with the by-laws of the Association.

Section 4. The members present 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, provided the members present in person or by proxy total not less than one-half in number of all members of the Association in good standing.

Section 5. This Association is organized on a non-profit 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 water and sewer systems 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. The said surplus fund or any portion thereof may from time to time at the discretion of the board of directors be distributed to the members as provided in the by-laws, on the basis of and proportionate to the assessments and charges made and levied against and paid by such members during the

year of such distribution or prior years.

#### ARTICLE VII

These articles may be amended by the favorable vote of not less than two-thirds of the members present or represented by proxy at a meeting of the members duly called in accordance with the by-laws, upon written notice setting forth the specific purpose thereof and containing a statement of the proposed amendment.

#### ARTICLE VIII

The number of directors shall be five and the names and addresses of those who are to serve as incorporators and directors for the first term and until their successors are elected and qualified are:

<u>Name</u>	<u>Address</u>
St. Joe Recreation Properties, a partnership	1016 Main Ave. St. Maries, Idaho 83861
J. Paul Hughes	1940 Jefferson St. Maries, Idaho 83861
Larry L. Ragan	238 Tenth St. Maries, Idaho 83861
John Ragan	Route 3 St. Maries, Idaho 83861
David E. Carey	6330 Haven Avenue Alta Loma, California 91701

IN WITNESS WHEREOF, we, the incorporators of  
Cottonwood Point Water & Sewer Association, Inc. have set  
our hands and seals this 3/18 day of January, 1975.

St Joe Recreation Properties  
by W. Stanley Allen, Partner  
David Carey  
Paul Hughes

Larry L. Ragan  
John Ragan

STATE OF IDAHO )  
: ss.  
County of Benewah )

BE IT REMEMBERED, that on this 31<sup>st</sup> day of January, 1975, personally appeared before me, a Notary Public in and for the State of Idaho, W. STANLEY ALLEN, a general partner of St. Joe Recreation Properties, J. PAUL HUGHES, LARRY L. RAGAN AND JOHN RAGAN, and severally acknowledged said Articles of Incorporation to be the act and deed of the signers, respectively, and that the facts therein stated are truly set forth.

Given under my hand and seal of office the day and year aforesaid.

SEAL

Jan. 31, 1975  
Notary Public in and for Idaho  
Res. & P.O. Addr: St. Maries  
Commission expires: 7-7-77

STATE OF CALIFORNIA )  
: ss.  
County of San Bernardino

BE IT REMEMBERED, that on this 14<sup>th</sup> day of MARCH, 1975, personally appeared before me, a Notary Public in and for the State of California, DAVID E. CAREY, and severally acknowledged said Articles of Incorporation to be the act and deed of the signers, respectively, and that the facts therein stated are truly set forth.

Given under my hand and seal of office the day and year aforesaid.

SEAL

Carla A. Edwards  
Notary Public in and for California  
Res. & P.O. Addr: 9719 Jovanni Blvd. P.O. 637  
Commission expires: Cucamonga  
Jan. 8, 1978

