

# State of Idaho

## Department of State

### CERTIFICATE OF INCORPORATION OF

LAKEVIEW TERRACE WATER ASSOCIATION, INC.

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 \_\_\_\_\_

LAKEVIEW TERRACE WATER ASSOCIATION, INC.

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 June 15, 19 88



*Pete T. Cenarrusa*  
SECRETARY OF STATE

\_\_\_\_\_  
Corporation Clerk

ARTICLES OF CORPORATION  
OF  
LAKEVIEW TERRACE WATER ASSOCIATION, INC. 10 AM '88  
SECRETARY OF STATE

ARTICLE I.

NAME AND LOCATION OF CORPORATION

Section A. The name of this association is LAKEVIEW TERRACE WATER ASSOCIATION, INC.

Section B. The grantor, National Associated Properties, reserves the right to two water wells presently in existence in the north half of that real property described as Lakeview Terrace #4 and more particularly described as follows:

A parcel of land located in the Northeast quarter of Section 24, Township 48 North, Range 5 West Boise Meridian: Beginning at the Northeast section corner of Section 24, Township 48 North, Range 5 West Boise Meridian, thence West between Sections 24 and 13 for a distance of 1304.5 feet which is the 1/16th. corner and the true point of beginning; thence South for approximately 1440 feet to a point on the north boundary of the Sun Up Bay road; thence, Westerly along the North right of way boundary of the Sun Up Bay road for approximately 335 feet; thence North for approximately 1060 feet to a point on the north line of Section 24, thence East for a distance of 326 feet to the true point of beginning.

This reservation shall include the right to run water lines over, under and across this real property to service the owners who will be become of record of that real property described as "Lakeview Terrace, Parcels #1-9" and more particularly described:

That portion of the Northeast quarter of Section 24, Township 48 North, Range 5 West Boise Meridian Kootenai County, Idaho, lying North of the County Road; except that portion described as the North half of the North half of the Northeast quarter of the Northeast quarter of said Section.

This reservation shall also include the right to place pumps, a pump house and a reservoir upon the real property described as "Lakeview Terrace #4", and to go upon the real property to care for and maintain the water system. Grantor further reserves the right to transfer these reservations and easements and water rights to a nonprofit water association at such time one has been legally formed under the laws of the State of Idaho; and consisting of those purchasers of Lakeview Terrace #1-9 in Lakeview Terrace.

All water lines and other structures associated with this reservation shall be located so as not to encroach upon structures placed upon the real property described above a Lakeview Terrace #4, and the extension lines will be within the North 30 feet of the described property for Parcels 1-4, immediately south of the paved Highway District Road, and within the recorded real and utility easements on parcels 5-8, also being with the North 30 feet of each parcel.

## ARTICLE II.

### NON-PROFIT CORPORATION

Section A. This Association is organized on a nonprofit basis for the mutual benefit of its members and consequently will not have profits.

Section B. The dues collected shall be disbursed only in payment for expenses of this water system as stated in the Articles of Corporation.

## ARTICLE III.

### PERIOD OF DURATION FOR THE CORPORATION

The period of existence for Lakeview Terrace Water Association shall be perpetual.

## ARTICLE IV.

### PURPOSE FOR THE CORPORATION

Section A. To associate its members for the purpose of assuring continued service of community water at reasonable rates.

Section B. The Association is made up of members who are owners of improved properties served by the system. To acquire membership to the Association each person shall pay on a pro-rated basis at the time of making connection to the water system, the costs incurred in the construction of the pump house, pump system installation, water reservoir, electrical fees and hook-up costs, and legal fees. This payment shall be paid to the members who financed the installation of the water system. At the time this payment is made to the members for connecting to the water system, you will be given a membership certificate and voting power.

Section C. Each member covenants to pay a minimum amount of \$5.00\_ per month into a reserve account for repairs and replacement of any and all pumping equipment until such reserve

account has a balance of \$1,000.00, if the reserve account is reduced by expenditures for these purposes, the monthly sum will again be due and payable until the balance in the account is equal to said figure.

Section D. In addition to such payments the member shall pay his pro-rated share of all operational maintenance expense on a monthly basis.

Section E. The payments herein provided shall be paid by and pro-rated between only those members actually using water from the well system and not by the number of property ownerships.

Section F. Each member shall be entitled to one water line from the Association's water system. The service line shall connect with the Association's water system at the pump house. The member will be responsible to lay and maintain the water line to their property in accordance with the Articles of Corporation.

Section G. All members will share equally in the amounts of water used. Members may use the Association's water for domestic purposes for one residence per membership. Domestic purposes shall be construed to include water for the household, a garden for personal use only, a lawn and a sufficient amount for the use of domestic animals kept with and for the use of the household.

Section H. If at anytime the total water supply shall be insufficient to meet all of the needs of all the members for domestic, livestock, sprinkling and garden purposes, the Association must first satisfy all of the needs of all the members for domestic purposes before supplying any water for livestock, sprinkling an gardening. This will be determined by the members.

Section I. When a member sells or disposes of any lot served by the Association, his membership for said lot shall cease and shall be automatically transferred to the person becoming the owner of the lot to be used only as herein and in the Articles of Corporation provided. The well rights shall run with the land.

Section J. Membership shall at all times be identified with the owner of the property or properties and shall not be subject to the approval of other members.

Section K. Each member that is connected to the Water Association system that is contained in the Articles of Corporation will receive on vote per membership. People owning property that is served by the Association and not hooked-up to the system will not have a vote.

Section L. No expulsion of members or cancellation of voting rights shall be permitted.

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

Section N. Suspension of services provided by the Association shall be permitted after a member fails to pay operational charges of the water system or fails to pay their monthly charge to the maintenance reserve account as stated in the Articles of Corporation. These rules and penalties will be established at the Association's first meeting. Liens for nonpayment of bills will also be permitted.

Section O. Provisions will also be set-up at the first Associations's meeting for prompt restoration of services when bills are collected.

#### ARTICLE V.

##### ASSOCIATION'S MANAGEMENT & VOTING PRACTICES

Section A. The management and the internal affairs of the Association will be vested in its members.

Section B. The arrangements for the actual operation and maintenance of the system will also be handled by the members of the Association.

Section C. At the outset of this Association, there are no members that qualify under the Articles of Corporation. As people connect to the system and become members to the Association, these people will be the ones representing the Association. At his point the incorporator will manage the affairs of the Association. When a majority of the memberships have been filled, then officers will be chosen, if desired.

Section D. Members holding one-tenth (1/10th) of the votes entitled to be cast, represented in person or by proxy, shall constitute a quorum. The vote of the majority of the votes entitled to be cast by the members present, or representatives by proxy at a meeting at which a quorum is present, shall be the act of the member meeting.

Section E. A member may vote in person or by proxy executed in writing by the member. No proxy shall be valid after eleven (11) months from the date of its execution nor shall they be binding upon the purchaser of the property from the granter of the proxy.

Section F. The above Articles of Corporation cannot be changed during the first year of operation. After the

Association has been in existence for more than a year, the Articles of Corporation may be changed only by a majority vote of all eligible voters. As long as it doesn't decrease its rights and powers under the laws of the state, or to waive any requirements or other provisions for the safety and security of the property, funds and members of the Association.

Section G. Upon dissolution, in event said Association is dissolved all assets remaining after payment of obligations and debts, shall be distributed to all members as their interest appears on the records, which interest shall be based upon their individual usage and patronage as in these Articles provided. Sufficient records shall be maintained to show each individual interest.

Section H. The initial registered agent of Lakeview Terrace Water Association, Inc., is Curtis G. Smith and the address of the initial registered office in Idaho, and the initial registered agent is:

Curtis G. Smith  
Rt. 2, Box 46-A2  
Bennion Road  
Worley, Id. 83876

Section I. The Association may maintain offices and places of business at such other places within the State of Idaho, as the members may determine.

Section J. Incorporator and principal organizer:

Curtis G. Smith  
2501 Sherman Ave. Apt. #233  
Coeur d' Alene, Id. 83814

Signature 

Section K. Names and addresses of property owners that can be serviced by the Association:

Tract (1) McGahan Trust  
883 E. 1150 S.  
Ogden, UT. 84404

Tract (5) Jerry Holcomb  
4327 Huntcliff Terrace  
Memphis. TN. 38128

Tract (2) Mark Goodman  
318 E. 6th. St. #1  
Moscow, ID. 83843

Tract (6) Galen Cook  
S. Pathfinder Dr.  
Sumter, SC. 29150

Tract (3) Curtis G. Smith  
2501 Sherman #233  
CDA, ID. 83814

Tract (4) Robert Cartwright  
Box 824  
Ketchum, ID. 83340

Tract (7) Larry Fish  
Binnion Rd.  
Worley, Id. 83876

Tract (8 & 9) Dave Fish  
Bennion Rd.  
Worley, ID. 83876