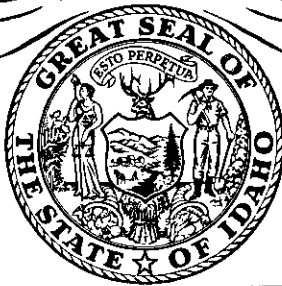


# State of Idaho



## 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

#### COLDSPRINGS WATER COMPANY

was filed in the office of the Secretary of State on the 23rd day of February A. D. One Thousand Nine Hundred Seventy-seven and will be is duly recorded on ~~File No~~ 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 Sun Valley in the County of Blaine 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 23rd day of February A.D., 19 77 .

Secretary of State.

ARTICLES OF INCORPORATION  
OF  
COLDSPRINGS WATER COMPANY  
(Non-profit Cooperative Association)

KNOW ALL MEN BY THESE PRESENTS: That, we, the undersigned, being Five (5) in number, all of whom are citizens of the United and of full age, have this day voluntarily associated ourselves together for the purpose of forming a non-profit cooperative association 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 COLDSPRINGS WATER COMPANY.

ARTICLE II

This corporation is a non-profit cooperative association, 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 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, and which assessments and charges shall be disbursed by the corporation only in payment for expenses for such water system and water system appurtenances.
4. To own, operate and maintain parks and playgrounds served

by any water system owned and operated by this corporation and situate in Phase I and Phase II of Coldsprings Subdivision of Blaine County, State of Idaho.

5. 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 location and post office address of the registered office and principal place of business of said corporation shall be P.O. Box 1093, Sun Valley, Idaho 83353.

#### ARTICLE V

The duration of this corporation shall be perpetual.

#### ARTICLE VI

Each owner of an improved property in Phase I and II of Coldsprings Subdivision or 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 membership 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 the community, jointly or separately; provided, however, a member owning more than one improved property shall have but one vote. The rights and interests of all members shall be equal, and no member can have or acquire a greater interest therein than any other member. Membership and continuation thereof shall be dependent upon the ownership of an improved property served by a 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 the due date thereof. Upon payment of any delinquent assessment or charge, together with a reasonable charge for termination 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 By-Laws of the corporation which shall so restrict ownership.

#### ARTICLE IX

The corporation shall not lease any real or personal property from other persons.

#### ARTICLE X

The foregoing Articles of this corporation and this Article, being Articles I through X inclusive, may be changed only by an affirmative vote with two-thirds (2/3) of all eligible votes.

#### ARTICLE XI

By-Laws 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 or 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.

#### ARTICLES XII


The business of this Association shall be managed by a Board of Directors of not less than three nor more than nine directors, the number, qualification, terms of office, manner of election, powers and duties of such directors shall be such as may be prescribed by law, these articles and such By-Laws as may from time to time be in force.

ARTICLE XIII

The following named persons shall serve as a Board of Directors until their successors are duly elected and qualified, to-wit:

Jerry R. Kirkman  
Robert Fisher  
Eldore Spiekerman  
Philip L. Poynter  
Larry Thornton

IN WITNESS WHEREOF, the undersigned set their hands this 14th  
day of January, 1977.

  
JERRY R. KIRKMAN

ROBERT FISHER

  
ELDORE SPIEKERMAN

  
PHILIP L. POYNTER

  
LARRY THORNTON

Addresses of Incorporators:

Jerry R. Kirkman  
P.O. Box 1093  
Sun Valley, Idaho 83353

Robert Fisher  
P.O. Box 1151  
Ketchum, Idaho 83340

Eldore Spiekerman  
P.O. Box 301  
Ketchum, Idaho 83340

Philip L. Poynter  
P.O. Box 499  
Ketchum, Idaho 83340

Larry Thornton  
P.O. Box 242  
Ketchum, Idaho 83340

STATE OF Idaho )  
COUNTY OF Blaine )

ss.

On this 14th day of January, 19 77,  
before me, the undersigned, a Notary Public in and for said  
State, personally appeared JERRY R. KIRKMAN, known to me  
to be the person whose name is JERRY R. KIRKMAN subscribed  
to the within, and acknowledged to me that he executed  
the same.

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

Glenna A. Glover  
Notary Public for Idaho  
Residing at Ketchum

STATE OF Idaho )  
COUNTY OF Blaine )

ss.

On this 20th day of January, 19 77,  
before me, the undersigned, a Notary Public in and for said  
State, personally appeared ROBERT FISHER, known to me to  
be the person whose name is ROBERT FISHER subscribed to  
the within, and acknowledged to me that he executed the  
same.

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

Glenna A. Glover  
Notary Public for Idaho  
Residing at Ketchum

STATE OF Idaho )  
COUNTY OF Blaine )

ss.

On this 25th day of January, 19 77,  
before me, the undersigned, a Notary Public in and for said  
State, personally appeared ELDORE SPIEKERMAN, known to  
me to be the person whose name is ELDORE SPIEKERMAN subscribed  
to the within, and acknowledged to me that he executed  
the same.

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

Glenna A. Glover  
Notary Public for Idaho  
Residing at Ketchum

STATE OF Idaho )  
COUNTY OF Blaine ) ss.

On this 22<sup>nd</sup> day of February, 19 77,  
before me, the undersigned, a Notary Public in and for said  
State, personally appeared PHILIP L POYNTER, known to me  
to be the person whose name is Philip Poynter subscribed  
to the within, and acknowledged to me that he executed  
the same.

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

[Signature]  
Notary Public for Idaho  
Residing at Ketchikan

STATE OF Idaho )  
COUNTY OF Blaine ) ss.

On this 22<sup>nd</sup> day of February, 19 77,  
before me, the undersigned, a Notary Public in and for said  
State, personally appeared LARRY THORNTON, known to me  
to be the person whose name is Larry Thornton subscribed  
to the within, and acknowledged to me that he executed  
the same.

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

[Signature]  
Notary Public for Idaho  
Residing at Ketchikan