



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

TERRACE WATER CORPORATION, INC.

was filed in the office of the Secretary of State on the **2nd** day
of **NOVEMBER** A. D. One Thousand Nine Hundred **Seventy-eight** and
will be
/ is duly recorded on Film 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
Boise, Idaho in the County of **Ada**
and as such are subject to the rights, privileges and limitations granted to Non-Profit Coopera-
tive 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 **2nd** day of **November**
A.D., 19**78** .

Secretary of State.

ARTICLES OF INCORPORATION
OF
TERRACE WATER CORPORATION, INC.

KNOW ALL MEN BY THESE PRESENTS, That we, the undersigned, STANLEY J. HOSAC, ROBERT S. HOSAC and STEVEN W. HOSAC, each being persons of full age, residents of Ada County, State of Idaho, and citizens of the United States, associate ourselves together with the intention of forming a non-profit cooperative corporation under and by virtue of the powers conferred by Title 30 of Chapter 10 of the Idaho Code Annotated, and we do hereby certify, declare and adopt the following Articles of Incorporation:

I

The name of this corporation shall be TERRACE WATER CORPORATION, INC..

II

The nature, objects and purposes of this corporation shall be:

- a. To purchase, lease, or in some other manner provide water services to the Country Terrace Subdivision No. 1.
- b. To construct, lease, buy, sell and exercise all privileges of ownership over such real and personal property as may be necessary and convenient for the purpose of this corporation, or for the operation and conduct of any business operated by this corporation or incidental thereto.
- c. To levy assessments in the manner and amount as may be provided by the By-Laws of this corporation and the laws of the State of Idaho.
- d. To borrow money for any person, firm or corporation and to issue notes, bonds, debentures or any other obligation of this corporation from time to time therefor, for any of the purposes or objects of this corporation, and to secure the payment of the same by mortgage, pledge, deed of trust, or other lawful means.

e. To do each and every thing necessary, suitable or proper for the accomplishment of any one or more of the purposes, or the attainment of any one or more of the objects herein enumerated, or conditions to, or expedient in, the interests of and the benefits of this corporation, and contract accordingly; and in addition, exercise and possess all powers, rights or privileges necessary or incidental to the purposes for which this corporation is organized or to the activity in which it is engaged; and in addition any other rights, powers and privileges, granted by the laws of the State of Idaho to any corporation, except such as are inconsistent with the express provisions of Title 30, Chapter 10, of the Idaho Code Annotated, and do any such things anywhere.

f. To use or employ any of its facilities, for any purpose, providing that the proceeds arising from such use and employment shall go to reduce the cost of its use to its members.

III

The period of existence and duration of the life of this corporation shall be perpetual.

IV

The location and post office address and the principal ~~registered~~ office for the transaction of business of this corporation shall be 2128 North Cole Road, Boise, Idaho 83704. *Registered Agent is Steven Nasac.*

V

Under the terms and conditions described in the By-Laws of this corporation, this corporation shall permit as its active or working members any person who may qualify for membership according to such terms and conditions as may be prescribed by the By-Laws of the corporation.

The voting power and property rights and interests shall be vested in the owners of lots of Country Terrace Subdivision No. 1.

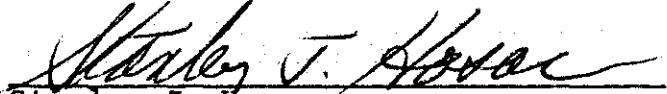
The membership fees of this corporation shall be fixed and determined by the By-Laws of the corporation, and when a member has paid his membership fee in full, he shall receive a certificate of membership. The By-Laws of this corporation shall prohibit the assignment of membership certificates to any persons other than a record property owner of said Country Terrace Subdivision No. 1.

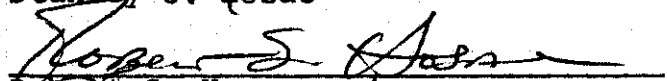
VI

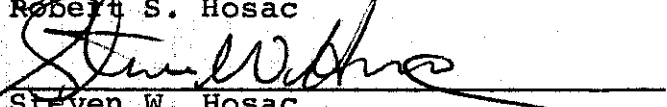
The number of directors of this corporation shall be three, who must be a property owner of said Country Terrace Subdivision No. 1; the term of office for such office shall be set by the By-Laws; provided, however, that the terms of office of the directors who are to serve first shall expire upon the date of the first annual meeting of the members; the name and residences of those who are to serve as directors for the first year or until the election and qualification of the successors, are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Stanley J. Hosac	2128 North Cole Road, Boise, Idaho 83704
Robert S. Hosac	2128 North Cole Road, Boise, Idaho 83704
Steven W. Hosac	2128 North Cole Road, Boise, Idaho 83704

IN WITNESS WHEREOF, the Incorporators, including the persons named above as the first directors, have hereunto set their hands and seals, in triplicate, this 27th day of October, 1978.


Stanley J. Hosac


Robert S. Hosac


Steven W. Hosac

AMBROSE,
FITZGERALD &
CROOKSTON

ATTORNEYS AND
COUNSELORS

929 EAST FIRST
MERIDIAN, IDAHO
83642

TELEPHONE 888-4461

STATE OF IDAHO,)
) ss.
County of Ada,

On this 27th day of October, 1978, before me, the undersigned, a Notary Public in and for said State, personally appeared STANLEY J. HOSAC, ROBERT S. HOSAC and STEVEN W. HOSAC, known to me to be the persons whose names are subscribed to the within and foregoing instrument, and acknowledged to me that they 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.

(SEAL)

Kathryn A. McPeak
Notary Public for Idaho
Residing at Meridian, Idaho