

State of Idaho



Department of State.

CERTIFICATE OF INCORPORATION

I, ARNOLD WILLIAMS, 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

GRANITE CREEK WATER CO., INC.

was filed in the office of the Secretary of State on the **Fourteenth** day of **July,** A. D. One Thousand Nine Hundred **Sixty-one** and is duly recorded on Film No. **114** 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 **Sandpoint** in the County of **Bonner** 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 **14th** day of **July**, A.D., 19**61**.

Secretary of State.

ARTICLES OF ASSOCIATION
OF
GRANITE CREEK WATER CO., INC.

KNOW ALL MEN BY THESE PRESENTS that we, the undersigned, all of whom are natural persons of full legal age and citizens of the United States of America, have this day voluntarily associated ourselves together for the purpose of forming a non-profit cooperative association pursuant to Title 30, Chapter 10 of the Idaho Code. To accomplish this objective we hereby adopt, sign and acknowledge these Articles of Association.

ARTICLE I.

The name of this cooperative is GRANITE CREEK WATER CO., INC.

ARTICLE II.

The object or objects, purpose or purposes for which this non-profit cooperative association is formed are:

A. Water Supply. To drill for, pipe from, draw from or out of existing sources of supply, or sources however developed, and to purchase, acquire and accumulate water for its members only; and to distribute, furnish, sell and dispose of water to its members only.

B. Facilities. In connection therewith and in furtherance of these broad general purposes, to construct, erect, purchase, lease and in any manner acquire or hold, maintain or operate personal property of all kinds and descriptions or any interest therein including but not limited to plants, buildings, works, machinery, supplies, apparatuses, equipment, water transmission and distribution lines or systems of every kind and nature necessary, convenient or useful for carrying out and accomplishing any or all of the foregoing purposes; and to acquire through ownership leases, franchises, or

any other method, whatever interest in real property will aid in accomplishing these ends.

C. Franchises. To acquire, own, hold, use, exercise and to the extent permitted by law, to sell, mortgage, pledge, hypothecate and in any manner dispose of franchises, rights, privileges, licenses, rights of way and easements necessary, useful or appropriate for accomplishing any or all of the purposes for which this non-profit cooperative association is organized.

D. Lands and Personal Property. To purchase, receive, lease as lessee, or in any other manner, acquire, own, hold, maintain, use, convey, sell, lease as lessor, exchange, mortgage, pledge or otherwise dispose of any and all real and personal property or any interest therein necessary, useful or appropriate to enable the non-profit cooperative association to accomplish any or all of its purposes;

E. Water Supplies. To assist only its members in obtaining useful and practicable water supplies and the facilities incident to the enjoyment thereof, to purchase, acquire, lease, sell, distribute, install and repair plumbing apparatus, fixtures, machinery, supplies and equipment of any kind and character;

F. Borrowing. To borrow money, to draw, make, accept, endorse, transfer, assign, execute and issue bonds, debentures, promissory notes, and other evidences of indebtedness, and for the purpose of securing any of its obligations or contracts to convey, transfer, assign, deliver, mortgage and or pledge all or any part of the property or assets at any time owned or held by this non-profit cooperative association, upon such terms and conditions as the Board of Directors shall authorize, and as may be permitted by law;

G. Broad General Powers. The foregoing clauses shall be construed both as objects and powers and are in furtherance of and

not in limitation of the general powers conferred by the State of Idaho. It is expressly provided that the foregoing enumerations of specific powers shall not be held to limit or restrict in any manner the powers of this non-profit cooperative association, it being the purpose of this charter to empower it to do or perform any and all things and acts and to have and exercise any and all powers as may be necessary or convenient to accomplish any or all of the foregoing purposes as the same may be permitted by the law under which it is formed. This cooperative shall under no circumstances render service to or for the public.

ARTICLE III.

The place where the principal business of this cooperative is to be transacted is in Sandpoint, Idaho. The cooperative may, however, maintain branch offices at any place or places required to transact its business either within or without the State of Idaho.

ARTICLE IV.

This cooperative shall have perpetual existence.

ARTICLE V.

Section 1. Corporate Structure. The cooperative shall have no capital stock.

Section 2. Membership Fee. The membership fee in the cooperative shall be \$10.00.

Section 3. Conditions of Membership. The undersigned subscribers to these articles of association shall be members in the cooperative. The by-laws of the cooperative shall define and fix the duties and responsibilities of the members and shall prescribe such terms and conditions upon which members shall be admitted to and retain membership in the cooperative not inconsistent with these Articles of Association or the Act under which the Cooperative is organized.

Section 4. Membership Certificate. Membership in the cooperative and the certificate representing the same shall not be transferrable, except as hereinafter otherwise provided, to any person, firm, corporation, or body politic, unless such person, firm, corporation or body politic is eligible for membership in the cooperative and becomes a member in the cooperative pursuant and subject to the provisions of the by-laws of the cooperative. Upon the death, cessation of existence, expulsion, or withdrawal of a member, the membership of such members shall thereupon terminate, and the certificate of membership of said member shall be surrendered forthwith to the cooperative. A membership may be transferred by a member to himself or herself, and his or her spouse, as the case may be, jointly upon the written request of such member, and upon such member agreeing to purchase water from the cooperative and agreeing to comply with and be bound by the articles of association of the cooperative and the by-laws, and any amendments thereto, and such rules and regulations as may from time to time be adopted by the board of directors.

ARTICLE VI.

The number of directors of this cooperative who shall be members thereof shall be not less than five nor more than nine. The number, qualifications, terms of office, manner of election, time and place of meeting, and the powers and duties of the directors are such as shall be prescribed by the by-laws of this cooperative.

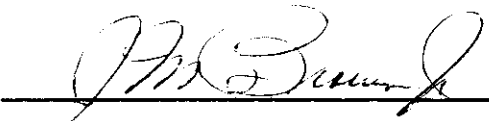
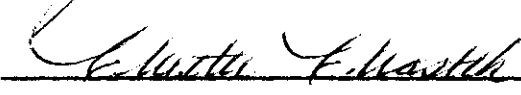
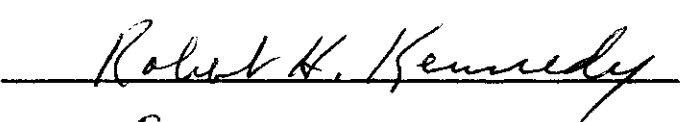
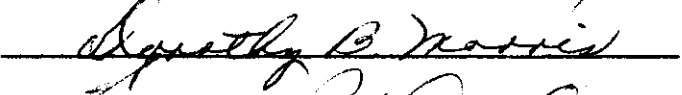
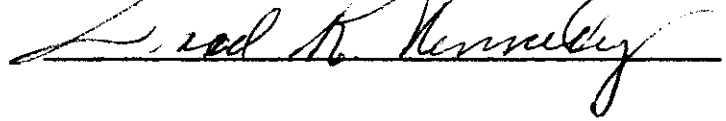
The names and addresses of the first officers who shall hold office and manage the affairs of the cooperative until the first annual meeting, which shall be on the second Monday of the month of July of each year, and who shall hold office until their successors are elected and qualified, are as follows:

J. M. Brown, Jr.	602 N. 2nd Avenue	Sandpoint, Idaho
Fred R. Kennedy	E. Pacific Avenue	" "
Chester Chastek	302 Fidelity Bldg.	Spokane, Washington
Robert H. Kennedy	9581 W. Pico Blvd.	Los Angeles 35, Calif.
Dorothy B. Morris		Sandpoint, Idaho

ARTICLE VII.

The authority to make the by-laws of this cooperative is hereby expressly vested in the Board of Directors of this cooperative, subject to the power of the members to change or repeal such by-laws in accordance with the laws of the State of Idaho.

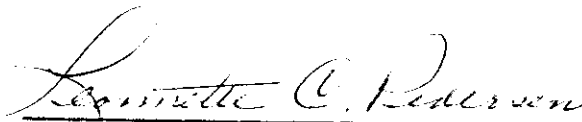
IN WITNESS WHEREOF, the members have executed this instrument on the 6th day of July, 1961.

STATE OF IDAHO)
 : ss.
County of Bonner)

On this 6th day of July, 1961, before me a Notary Public in and for the said State and County, personally appeared J. M. BROWN, JR., FRED R. KENNEDY, CHESTER CHASTEK, ROBERT H. KENNEDY and DOROTHY B. MORRIS, to me known to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and my notarial seal the day and year in this certificate first above written.



Notary Public in and for the State
of Idaho, residing at Sandpoint