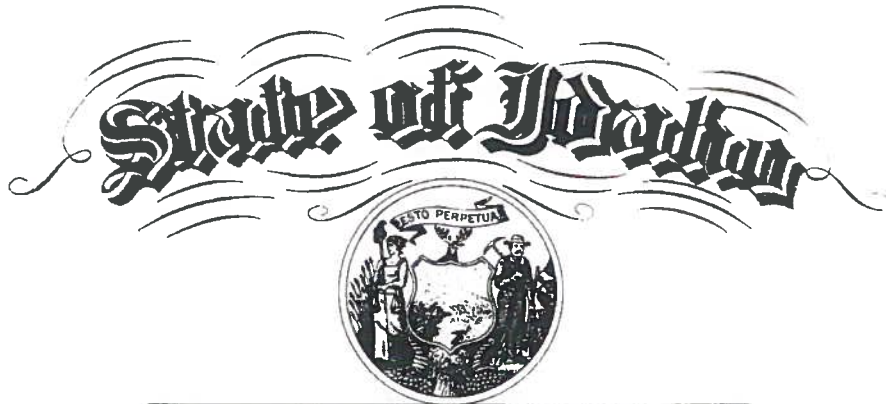




Department of State.

CERTIFICATE OF INCORPORATION

ARNOLD WILLIAMS,
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

BAYVIEW HEIGHTS COMMUNITY WATER SYSTEM ASSOCIATION, INC.

was filed in the office of the Secretary of State on the **sixth** day
of **July,** A. D. One Thousand Nine Hundred **Fifty-Nine,** and
is duly recorded on Film No. **108** 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
Bayview, in the County of **Kootenai,**
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 **sixth** day of **July**,
A.D., 19 **59**.

SCANNED
MAY 17 2011

Secretary of State.

ARTICLES OF INCORPORATION
OF
THE
BAYVIEW HEIGHTS COMMUNITY
WATER SYSTEM ASSOCIATION, INC.

The signatories to these articles hereby associate as a non-profit, cooperative association under the laws of the State of Idaho, and particularly sections 30-1001 to 30-1006, Idaho Code, and amendments thereto and correlated provisions of the laws of the State of Idaho.

ARTICLE I

The name of this association shall be:

" BAYVIEW HEIGHTS COMMUNITY WATER SYSTEM ASSOCIATION, INC."

ARTICLE II

The objects and purposes, for which this association is formed are:

- a. To construct, maintain and operate a domestic water system for the supplying of water for domestic, livestock and gardening purposes to its 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, laying, installation, operation, maintenance and repair of wells, pumping equipment, water mains, pipe lines, valves, meters and all other equipment necessary to the construction, maintenance and operation of a water 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 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.
- d. 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.
- 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 assessments in such manner and in such amount as may be provided in the by-laws of this association, and to provide for the manner of collection of assessments for water furnished its members and the manner of enforcement thereof.
- 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.
- h. 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 at Bayview, Kootenai County, Idaho, but the association may maintain offices and places of business at such other places within the State of Idaho, as the Board of Directors may determine.

ARTICLE IV

The duration of this corporation shall be perpetual.
The rights and interests of all members shall be equal.

ARTICLE V

The private property of the members shall not be subject to payment of association debts to any extent whatever.

ARTICLE VI

Section 1. This association shall not have capital stock, and its capital shall be represented by membership certificates which shall be issued and subject to ownership in accordance with the by-laws of this association.

Section 2. This association shall, by its By-Laws, provide the terms and conditions of membership and the association shall not be required to admit new members if the capacity of its plant and facilities has already been applied for and in use.

Section 3. Membership fees shall be fixed and regulated by the By-Laws. Each member, whose fees are fully paid and who is not in arrears regarding payments for water services, shall be entitled to one vote at any meeting of the members of the association for each membership certificate held. Assessments against members, and a determination of their liability, shall be fixed by the By-Laws of the association, which shall provide for the manner of collection and its enforcement and also for the lapse of membership and forfeiture of the right to the use of water for the non-payment of water service or non-user.

Section 4. This association is organized as a non-profit association for the mutual benefit of its members and will not have profits. All fees received for admission of members shall be placed in the surplus fund to be used only for the payment of indebtedness, repairs, building and maintenance. After all

expenses of the association are paid each year, and a reasonable reserve, as determined by the Board of Directors, set aside, any income of the association in excess thereof shall be used to reduce the charges for the next year's operations.

ARTICLE VII

The number, qualifications, terms of office, manner of election, time and place, manner of calling of meeting, and the powers and duties of the board of directors shall be prescribed by the By-Laws.

all of whom are of full age and citizens of the United States,

WITNESS, the hands and seals of the incorporators, whose names and addresses are stated below, each subscribing to a membership certificate.

ADOPTED THIS 30th day of June, 1959.

<u>Robert W. Johnson</u>	, <u>Box 61, Bayview, Idaho</u> Address
<u>Charles O White</u>	, <u>S. 516 Ray St</u> <u>Spokane</u> <u>Wn.</u>
<u>Ray Weger</u>	, <u>Box 72 Bayview Idaho</u>
<u>Willis P. Senter</u>	, <u>440-E-8th Moscow, Ida.</u>
<u>Perceval H. Harris</u>	, <u>Box 124 Bayview Ida.</u>

SCANNED

MAY 17 2018

STATE OF IDAHO)
 ss.
COUNTY OF KOOTENAI)

On this 22nd day of June, 1959, before me, Herbert Nagel,
a Notary Public in and for said county and State, personally
appeared ROBERT W. JOHNSON, CHARLES O. WHITE, RAY WEGER, WILLIS
P. SENTER and PERCIVAL W. HARRIS, known to me to be the persons
executing the foregoing instrument, and acknowledged to me that
each and all executed the same.

Notary Public for the State of Idaho
Residing at Coeur d'Alene
My commission expires 11-30-61

SCANNED
MAY 17 2018