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FORM 202 11/13

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79901

Ident. No. 97-7521

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT
To appropriate the public waters of the State of Idaho

1. Name of applicant(s) Outlet Water Association Phone 208-443-3146
Name connector (check one): ☐ and ☐ or ☐ and/or
Mailing address P.O. Box 846 City Priest River
State ID _____ Zip 83856 Email billmcpriestlake@sisna.com

2. Source of water supply Groundwater which is a tributary of NA

3. Location of point(s) of diversion:

TWP	RGE	SEC	Govt Lot	1/4	1/4	1/4	County	Source	Local name or tag #
59N	04W	06		SW	NE		Bonner	Groundwater Well	No. 1 (Existing)
59N	04W	06		SW	NE		Bonner	Groundwater Well	No. 2 (Proposed)

4. Water will be used for the following purposes:

Amount 0.56 cfs for municipal purposes from Jan. 1 to Dec. 31 (both dates inclusive)
(cfs or acre-feet per year)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per year)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per year)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per year)

5. Total quantity to be appropriated is (a) 0.56 cubic feet per second (cfs) and/or (b) _____ acre feet per year (af).

6. Proposed diverting works:

- Describe type and size of devices used to divert water from the source. 8" diameter x 65' deep well (both wells) with 10 hp submersible pump in each well
- Height of storage dam NA feet; active reservoir capacity _____ acre-feet; total reservoir capacity _____ acre-feet. If the reservoir will be filled more than once each year, describe the refill plan in item 11. For dams 10 feet or more in height OR reservoirs with a total storage capacity of 50 acre-feet or more, submit a separate Application for Construction or Enlargement of a New or Existing Dam. Application required? ☐ Yes ☐ No
- Proposed well diameter is 8 inches; proposed depth of well is 65 feet.
- Is ground water with a temperature of greater than 85°F being sought? ☐ Yes ☒ No
- If well is already drilled, when? No; drilling firm _____; well was drilled for (well owner) _____; Drilling Permit No. _____

7. Description of proposed uses (if irrigation only, go to item 8):

- Hydropower; show total feet of head and proposed capacity in kW. _____
- Stockwatering; list number and kind of livestock. _____
- Municipal; complete and attach the [Municipal Water Right Application Checklist](#).
- Domestic; show number of households _____
- Other; describe fully. _____

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8. Description of place of use:

a. If water is for irrigation, indicate acreage in each subdivision in the tabulation below.

b. If water is used for other purposes, place a symbol of the use (example: D for Domestic) in the corresponding place of use below.
See instructions for standard symbols.

TWP	RGE	SEC	NE				NW				SW				SE				TOTALS
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
59N	04W	5					M	M	M			M							
		6		M	M	M					M				M	M			
60N	04W	32									M		M	M					

Total number of acres to be irrigated: _____

9. Describe any other water rights used for the same purposes as described above. Include water delivered by a municipality, canal company, or irrigation district. If this application is for domestic purposes, do you intend to use this water, water from another source, or both, to irrigate your lawn, garden, and/or landscaping?

The Outlet Water Association has three existing water rights. Water right #97-7291 is for the existing groundwater well, and water rights #3333/97-2053 and #97-7013 are two springs.

10. a. Who owns the property at the point of diversion? United States Forest Service

b. Who owns the land to be irrigated or place of use? Association water customers

c. If the property is owned by a person other than the applicant, describe the arrangement enabling the applicant to make this filing:
The Association leases the property upon which the existing well and proposed well are located.

11. Describe your proposal in narrative form, and provide additional explanation for any of the items above. Attach additional pages if necessary.

It is proposed to install an 8" diameter x 65' deep water well to provide an additional source of water supply for the Outlet Water Association. A 10 hp submersible well pump will be installed in the well. The well pump discharge will be plumbed through an existing pumphouse. Within the pumphouse, the well water flow will be metered and connected to the existing transmission pipeline.

12. Time required for completion of works and application of water to proposed beneficial use is 5 years (minimum 1 year).

13. **MAP OF PROPOSED PROJECT REQUIRED** - Attach an 8½" x 11" map clearly identifying the proposed point of diversion, place of use, section #, township & range. A photocopy of a USGS 7.5 minute topographic quadrangle map is preferred.

The information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval.

BILL MCINERNEY
Signature of Applicant

Signature of Applicant

BILL MCINERNEY VICE PRES.
Print Name (and title, if applicable)

Print Name (and title, if applicable)

Received by [Signature] Date 2/27/15 Time _____ Preliminary check by _____
Fee \$ 250.00 Received by [Signature] Receipt No. N031080 Date 2/27/15

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Water Right No. or App. ID _____

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

MUNICIPAL WATER RIGHT APPLICATION CHECKLIST
FOR AN APPLICATION TO APPROPRIATE WATER FOR MUNICIPAL PURPOSES

An application to appropriate water for municipal purposes must be prepared in accordance with the requirements listed below to be acceptable for processing by the Department. There are two types of permits for municipal water use. The first type of municipal permit provides water for reasonably anticipated future needs (RAFN) over a defined planning horizon.¹ The second type of municipal permit, called non-RAFN, provides water solely for use to meet needs that will arise in the near-term (five years).² A **non-RAFN** permit may have an annual volume limitation associated with it. Each type of municipal water use has a distinct set of review requirements.

Applicant Name: Outlet Water Association

1. Type of Municipal Provider. Applicant must qualify as a Municipal Provider to obtain a municipal water right. See Idaho Code § 42-202B (5). Check one:

- ☐ Type 1 – Municipality
☐ Type 2 – Franchise or political subdivision supplying water to a municipality
☒ Type 3 – Corporation or association regulated as a “public water supply” system by IDEQ
☐ Attach documentation of qualification as a Municipal Provider. See Idaho Code § 42-202(2).

2. List existing Water Rights (permits, licenses, decrees, and beneficial use claims) available to the applicant for municipal needs. These rights may or may not have a purpose of use expressly defined as “municipal”. Include a separate attachment as needed.

Right Number	Nature of Use	Diversion Rate (cfs)	Annual Vol. (acre-feet)	Service Area
97-7291	drinking water	0.27	42	Outlet Water Assn service area -
97-7013	drinking water	0.15	58.1	see Application for Permit
97-2053	drinking water	0.06	42	

3. List the total diversion rate from Item 2. Be sure to account for any combined diversion rate limits in the approval conditions of each right listed. 0.48 CFS (total from 2)
4. List the total volume from Item 2. Be sure to account for any combined volume limits in the approval conditions of each right listed. 142.1 AF (total from 2)

¹ For a thorough discussion of RAFN water rights, see IDWR’s *Recommendations for the Processing of Reasonably Anticipated Future Needs (RAFN) Municipal Water Rights at the Time of Application, Licensing, and Transfer*.

² For a thorough discussion of non-RAFN water rights, see IDWR’s Application Processing Memorandum No. 18.

5. Planning Horizon. See Idaho Code § 42-202B (7). Check one:

- ☐ RAFN. Specify planning horizon: ____ years. Go to Item 6.
☒ Non-RAFN (≤5 years). Go to Item 7.

6. If application is for RAFN:

- ☐ Attach justification for planning horizon. See Idaho Code § 42-202(2) and § 42-202B(7).
☐ Attach description of service area. See Idaho Code § 42-202(2) and § 42-202B(9).
☐ Attach population projection within the service area over the planning horizon. See Idaho Code § 42-202(2) and § 42-202B(8).
☐ Attach evaluation for demand within the service area over the planning horizon. See Idaho Code § 42-202(2) and § 42-202B(8).

Does demand exceed the totals listed in Items 3 and 4?

- Y N
☐ ☐ Rate?
☐ ☐ Volume?

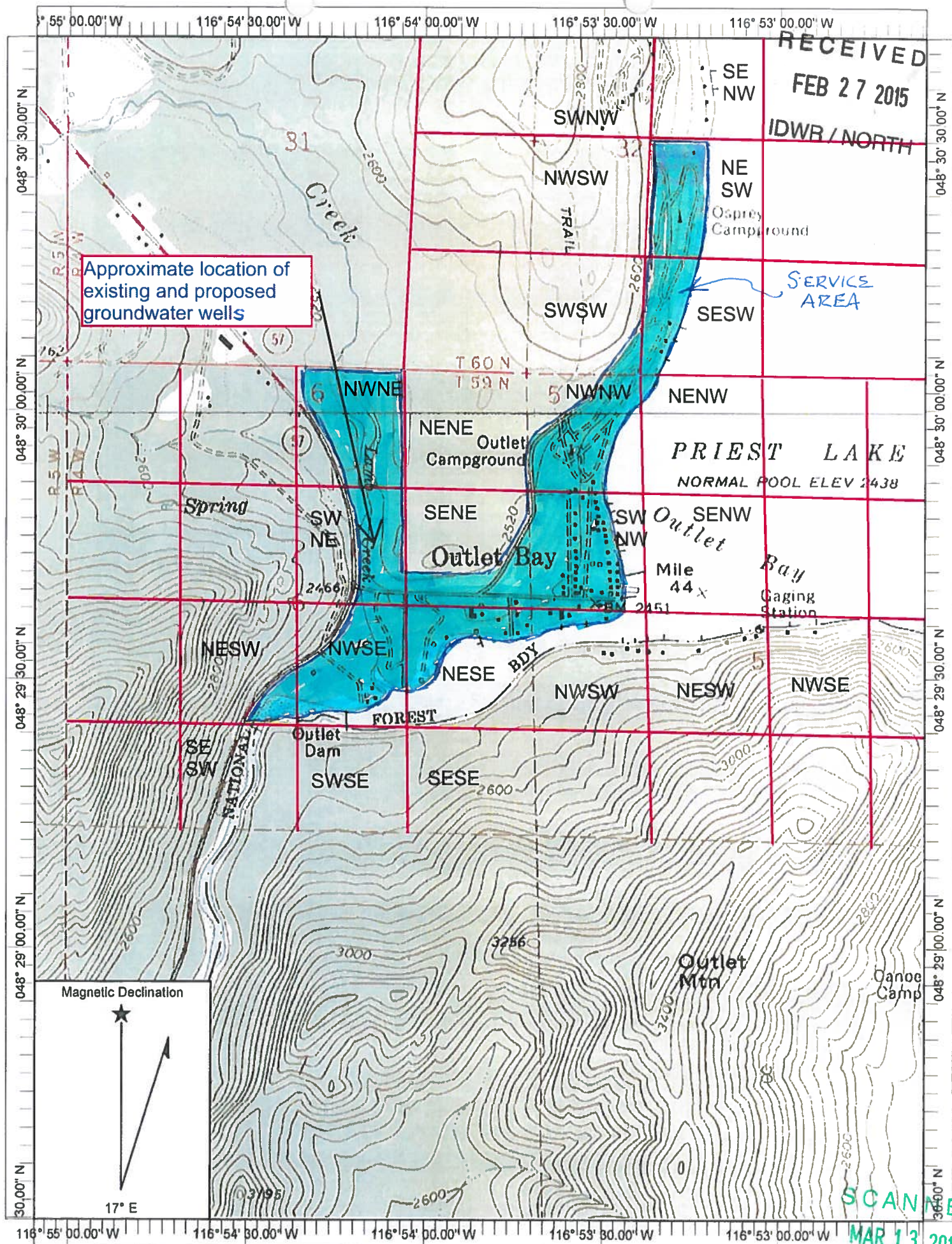
If the answer is "No" to both rate and volume and a new point of diversion is needed, file a transfer application pursuant to Idaho Code § 42-222(1).

7. If application is for non-RAFN:

When submitting proof of beneficial use, non-RAFN permit holders will be required to show that water was diverted for an additional increment of beneficial use over existing water rights during the authorized development period, which may be up to five years from the date of approval. Do existing demand and short term needs exceed the combined authorizations from the existing water rights listed in Items 3 and 4?

- Y N
☒ ☐ Rate?
☒ ☐ Volume?

If the answer is "No" to both rate and volume and a new point of diversion is needed, file a transfer application pursuant to Idaho Code § 42-222(1).



Outlet Water Assn

Application For Permit

97-7521

SERVICE AREA



-  Water Service Area Boundary
-  Townships
-  PLS Sections
-  Quarter Quarters

0 0.2 0.4 0.8 Miles

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WELL DRILLER'S REPORT

State law requires that this report be filed with the Director, Department of Water Resources within 30 days after the completion or abandonment of the well.

[illegible]

USE ADDITIONAL SHEETS IF NECESSARY - FORWARD THE WHITE COPY TO THE DEPARTMENT

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**BY-LAWS
OF
OUTLET WATER ASSOCIATION, INC.**

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ARTICLE I.

General Purpose

The purpose for which this Association is formed and the powers which it may exercise are set forth in the Articles of Incorporation of the Association.

Article II.

Name and Location

Section 1. The name of this Association is the Outlet Water Association, Inc.

Section 2. The principal office of this Association shall be located at the Outlet, Priest Lake, County of Bonner, State of Idaho, and the Post Office address is: Route 5, Priest River, Idaho, Zone No. 83856.

Article III.

Seal

Section 1. The seal of the Association shall have inscribed thereon the name of the Association, the year of its organization, and the words, "Non-stock Corporation, Idaho".

Section 2. The secretary of the Association shall have custody of the seal.

Section 3. The seal may be used by causing it or a facsimile thereof to be expressed or affixed or reproduced or otherwise.

Article IV.

Fiscal year

The fiscal year of this Association shall end on the date each year to be fixed by the Board of Directors, which day shall be not less than fifteen (15) days nor more than forty-five (45) days preceding the date fixed for the annual meeting of the members.

Article V.

Membership

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Section 1. The holders of membership certificates of this Association are its members. Any person, group of persons, organization or corporation possessing the qualification for membership as prescribed in the Articles of Incorporation and being approved by the Board of Directors, may be admitted to membership upon payment of a membership fee set by a resolution of the Board of Directors. Any eligible applicant, approved by the Board of Directors, requesting water after December 31, 1965, shall be required to pay any and all hook up fees set forth by a resolution of the Board of Directors as well as applicable charges for the actual cost of labor and materials to run the service line from the main system to and including the curb value at the persons property line; provided, however, that no person otherwise eligible shall be permitted to acquire a membership certificate if the capacity of the Association's water system is exhausted by the needs of its existing members.

Section 2. If a member ceases to be eligible to hold membership as provided in Section 1., or willfully fails to comply with these by-laws and other requirements, or willfully obstructs the purpose and proper activities of the Association, the Association, through the Board of Directors, may elect to purchase his membership certificate and terminate his membership upon tender to him and his heirs or legal representative of the fair book value of his membership certificate as determined by the Board of Directors, together with any dividends due and unpaid less any indebtedness and due from him to the Association. Any member whose membership is so terminated for cause other than that of ceasing to be eligible may appeal from the action of the Board of Directors to a vote of the members at the next regular meeting of the members or special meeting called for such purpose.

Section 3. Each member shall be entitled to one vote on each matter submitted to a vote of the members.

Section 4. Membership in this corporation is transferable and assignable upon a majority vote of the Board of Directors , provided a member in good standing who sells his property or business, or dies, such membership may be sold or assigned to the new purchaser. The Board of Directors shall not arbitrarily deny membership if the purchaser is fully qualified for membership. Any member who purchases the property, business, or membership certificate of another member must maintain the obligation of membership.

Article VI.

Membership certificates

Section 1. This Association shall not have capital stock but its capital shall be represented by membership certificates.

Section 2. Effective in 1997 the membership certificates shall be re-issued in each holder of a fully paid membership and shall be numbered consecutively in accordance with the order of issue. Each membership certificate shall bear on its face the following statements:

- a. This membership certificate No. ____ is issued and accepted in accordance with and subject to the conditions and restrictions stipulated in the Articles of Incorporation and by-laws and amendments to the same of the Outlet Water Association, Inc.,
- b. Transfers of membership certificates shall be made only upon the books of the Association, only to persons eligible to become members, only with the approval of the Board of Directors, and only when the member transferring is free from indebtedness to the Association.
- c. No member of this Association shall be entitled to more than one vote at the meetings of the members.

Section 3. All transfers of membership certificates shall be made upon the books of the Association upon the surrender of the certificates covering the same by the holders thereof or by their legal representatives but only with the approval of the Board of Directors and only to persons eligible to become members and only when the transferring members is free from indebtedness to the Association.

Article VII

Meetings of members

Section 1. The annual meeting of the members of this Association shall be held at Priest Lake, County of Bonner, State of Idaho at one o'clock (8:00 A.M.) on the first Saturday in August of each year.

Section 2. Special meetings of the members of the Association may be called at any time by the president or upon resolution of the Board of Directors, or upon written petition of the president of the board, signed by Twenty Per Cent (20%) of the members of the Association. The purpose of every special meeting shall be stated in the notice thereof.

Section 3. Notice of meetings of members of the Association may be given by a notice mailed to each member of record, directed to the address shown upon the books of the Association, at least ten (10) days and not more than thirty (30) days prior to the meeting. Such a notice shall state the nature, time, place, and purpose of the meeting.

Section 4. The members present or represented by proxy shall constitute a quorum for the conduct of business at any meeting of the members regularly held. Voting powers of the members shall be equal and each member shall have one vote only which may be exercised in person or by proxy, such proxy to be received at or before the time of the meeting.

Section 5. Directors of this Association shall be elected at the annual meeting of the members.

Section 6. The order of business at the regular meetings and so far as possible at all other meetings shall be:

1. Calling to order and proof of quorum.
2. Proof of notice of meeting.
3. Reading and action of any unapproved minutes.

4. Reports of officers and committees
5. Election of Directors.
6. Unfinished business.
7. New business.
8. Adjournment.

Article VIII.

Directors and Officers.

Section 1. The Board of Directors of this Association shall consist of five members, all of whom shall be members of the Association. The directors named in the Articles of Incorporation shall serve until the first annual meeting of the members and until their successors are elected and have qualified. At the first annual meeting of the members, one director shall be elected for a term of one year; two directors for a term of two years; and two directors for a term of three years. At each annual meeting thereafter, the members shall elect, for a term of three years, the number of directors whose terms of office have expired.

Section 2. The Board of Directors shall meet within ten (10) days after the first election and within then (10) days after the annual election of directors and shall elect by ballot a president and vice-president, also a secretary-treasurer, each of whom shall hold office until the next annual meeting and until the election and qualification of his successor unless sooner removed by death, resignation, or for cause.

Section 3. Any vacancy in the Board of Directors, other than from the expiration of a term of office, shall be filled by election by the remaining members of the board until the next regular or special meeting of the members of the Association, at which meeting a director shall be elected for the unexpired term. The disqualification of a director as a member of the Association shall operate to disqualify him as a director and to create a vacancy in the office of director.

Section 4. A majority of the Board of Directors shall constitute a quorum at any meeting of the Board.

Section 5. Compensation of officers and directors may be fixed at any regular or special meeting of the members of the Association. Directors shall receive no salary for their services as such, but are entitled to actual expenses incurred in the pursuit of duty to the Association.

Section 6. Any director of the Association may be removed from office for cause, by vote of not less than two-thirds of the members of the Association present at any annual or at any special meeting called for the purpose, at which a majority of the members shall be present. The director shall be informed in writing of the charges preferred against him at least then (10) days before such meeting, and at the meeting shall have any opportunity to present witnesses and be heard in person in answer thereto. Officers may be removed for cause by vote of two-thirds of the members of the Board, and employees or agents discharged from office or employment at any time by action of the Board of Directors.

Section 7. All members of the Outlet Water Association by accepting service agree to indemnify all Directors and Officers of any personal liability in pursuit of corporate duties.

Article IX.

Duties of Directors

Section 1. The Board of Directors, subject to restrictions of law, the Articles of Incorporation, or these By-Laws, shall exercise all of the powers of the Association, and, without prejudice to or limitation upon their general powers, it is hereby expressly provided that the Board of Directors shall have, and hereby given, full power and authority (to be exercised by resolution adopted by a majority vote of all the members) in respect to the matters and as hereinafter set forth;

- a. To act upon applications for membership and to cause to be issued appropriate certificates of membership.
- b. To select and appoint all officers, agents, or employees of the Association, or remove such officers, agents or employees of the Association for just cause, prescribe such duties and designate such powers as may not be inconsistent with these By-Laws, fix their compensation and pay for faithful services.
- c. To borrow from any source, money, goods, or services, and to make and issue notes, and other negotiable and transferable instruments, mortgages, deeds of trust and trust agreements, and to do every act and thing necessary to effectuate the same.
- d. To prescribe, adopt, and amend, from time to time, such equitable uniform rules and regulations as, in their discretion, may be deemed essential or convenient for the conduct of the business and affairs of the Association and the guidance and control of its officers and employees, and to prescribe adequate penalties for the breach thereof.
- e. To order, at least once a year, an audit of the books and accounts of the Association by a competent auditor or accountant. The report prepared by such auditor or accountant shall be submitted to the members of the Association at their annual meeting.
- f. To fix the charges to be paid by each member for services rendered by the Association to him, the time of payment, and the manner of collection.
- g. To require all officers, agents, and employees charged with responsibility for custody of any of the funds of the Association to give adequate bonds, the cost thereof to be paid by the Association, and it shall be mandatory upon the directors to so require.
- h. To select one or more banks to act as depositories of the funds of the Association and to determine the manner of receiving, depositing, and disbursing the funds of the Association and the form of checks and the person or persons by whom the same shall be signed, with the power to change such banks and the person or persons signing such checks and the form thereof at will.
- i. To levy assessments against the membership certificates of the Association and to enforce the collection of such assessments by the sale of delinquent certificates, provided that such assessments shall be made and delinquent certificates shall be sold in such manner as may be specified in Section 30-157 of the Idaho Code or amendments thereof.

- j. To sell or rent water to persons or groups of persons who are not members of the Association, but who are accessible to service from the Association's system and who need water for domestic purposes; provided that such sale or rental of water shall only be made at such times and during periods when there is water in the association's system in excess of all the needs of the members of the Association and their requests for water; and, provided further, that the sale or rental of water to such persons shall be made under contract in form approved by the Board of Directors, which shall clearly provide the limitations of such sale or rental, at rates which in no event shall be less than the total of rates, charges, and assessments paid by members of this Association.

Article X

Duties of Officers

Section 1. Officers. The officers of the corporation shall be President, one Vice-President, a Secretary-Treasurer, and such other officers as may be elected or appointed in accordance with the provisions of the article.

Section 2. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract right, if any, of the officer so removed.

Section 3. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, any be filled by the Board of Directors for the unexpired portion of the term.

Section 4. Duties of President. The president shall preside over all meetings of the Association and the Board of Directors, call special meetings of the Association and of the Board of Directors, perform all acts and duties usually performed by an executive and presiding officer, and sign all membership certificates and such other papers of the Association as he may be authorized or directed to sign by the Board of Directors, provided the Board of Directors may authorize any person to sign any or all checks, contracts, and other instruments in writing on behalf of the Association. The president shall perform such other duties as may be prescribed by the Board of Directors.

Section 5. Duties of the Vice-President. In the absence or disability of the president, the vice-president shall perform the duties of the president; provided, however, that in case of death, resignation, or disability of the president, the Board of Directors may declare the office vacant and elect his successor.

Section 6. Duties of the Secretary-Treasurer. The secretary-treasurer shall keep a complete record of all meetings of the Association and of the Board of Directors and shall have general charge and supervision of the books and records of the Association. He shall sign all membership certificates with the president and such other papers pertaining to the Association as he may be authorized or directed to do so by the Board of Directors. He shall serve all matters and business pertaining to his office to the members at the annual meeting. He shall keep the corporate seal and membership certificate records of the Association,

complete and counter-sign all certificates issued, and affix said corporate seal to all papers requiring a seal. He shall keep a proper membership certificate record, showing the name of each member of the Association, date of issuance, surrender, cancellation or forfeiture. He shall make all reports required by law and shall perform such other duties as may be required of him by the Association or the Board of Directors. Upon the election of his successor, the secretary-treasurer shall turn over to him all books and other property belonging to the Association that he may have in his possession. He shall also perform such duties with respect to the finances of the Association as may be prescribed by the Board of Directors. He shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for money due and payable to the Association from any source whatsoever; and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these By-Laws.

Article XI.

Benefits and Duties of members

Section 1. The Association will install, maintain, and operate a main distribution pipe line or lines from the source of the water supply and service lines from the main distribution pipe line or lines to the property line of each member of the Association. The cost of the service line or lines from the main distribution pipe line or lines of the Association to the property line of each member shall be paid by the Association. The Association will also purchase and install a cut-off valve in each service line from its main distribution line or lines, such cut-off valve to be owned and maintained by the Association and to be installed on some portion of the service line owned by the Association, excepting where the curb box may be damaged by road grading or snow plowing. In such a case, at the discretion of the engineer, it may be installed on the member's property with full rights of access as if it were on a right-of-way. The Association shall have the sole and exclusive right to use such cut-off valve and to turn it on and off.

Section 2. Each membership shall entitle a member to only one ¾ inch service line from the Association's water system, unless approval is given by the Board of Directors and the Engineer and the charge adjusted accordingly. In no case is a member allowed to hook directly to a main service line; he may only connect to the cut-off valve at his property line. No new service line or change in an existing line may be made which will interfere with an existing service line or the delivery of water therein.

Section 3. An individual or group of individuals permitted to connect to this system must use materials comparable to those used by the Association, and the workmanship and materials must be approved by the engineer or a competent inspector selected by the Board of Directors. In no circumstances should the pipe have less than a 4'6" coverage nor be back-filled or concealed without a water test and the approval of the inspector as to the absence of leaks and flaws.

Section 4. All expenses of installation, including labor and materials, repairs and upkeep of pipe and fittings, from the cut-off valve at the property line of the member to his dwelling or other portions of his premises, shall be paid for by the member, and his application and contract must be signed in advance of service. A property owner owns the pipe, valves, and all fittings within the boundaries of his property to the cut-off valve, and is responsible for the care and maintenance thereof.

Section 5. Waste of water shall not be permitted and it shall be a violation for any water user to permit any unnecessary waste of water occurs, due to negligence of over-watering of yards and gardens; breaks in pipe lines from freezing, or faulty plumbing, etc., and the situation is not immediately corrected or repaired to the satisfaction of the Board after their notification to the member, the Board of Directors are empowered to have the water turned off at the cut-off valve to the violator's property. This member will then be charged with a fee for this shut-off, with an added fee upon re-connection when the situation is corrected. This does not relieve the owner of their continued water rate per for connection and disconnection of service shall be subject to rates set forth by resolution of its board of directors. It shall be a violation for any person or persons to open or close, or otherwise tamper with, any main valve or curb cock.

Section 7. All members, upon taking service from this Association, must agree to retain this service for a period of three (3) years; thereafter service may be discontinued by notifying the Board of Directors, whereupon they shall immediately have the water shut off at the connection with the property involved; however, such discontinuation of service shall not relieve the property owner or lessee of his liability to pay all accrued water charges to the first day of the next following month. Thereafter, no charge shall be made against such property for the water service until the service is again resumed.

Section 8. Each member shall be entitled to purchase from the Association such water as is necessary for his domestic and garden purposes, subject, however to the provisions of these by-Laws and to such rules and regulations as may be prescribed by the Board of Directors. Each member shall be entitled to have delivered to his through a single service line only, such water as may be necessary to supply the needs of the persons residing in a single dwelling.

Section 9. In the event the total water supply shall be insufficient to meet all the needs of the members, or in the event there is a shortage of water, the Association may prorate the water available among the various members on such basis as is deemed equitable by the Board of Directors, and may also prescribe a schedule of hours covering use of water for garden purposes by particular members and require adherence thereto, or prohibit the use of water for garden purposes should the water supply be insufficient to meet all the needs of all the members for domestic purposes.

Section 10. Rates for water users will be set by resolution of the board of directors.

Section 11. Payments are to be made at regular billing periods set forth by the Board of Directors, and failure to pay the charges duly imposed, on or prior to the dates set by the Board of Directors, shall result in the automatic imposition of the following penalties:

- a. Non-payment for thirty days past due. Fees for shut-off and turn-on may be imposed as deemed appropriate by the Board of Directors
- b. Non payment for sixty days past due. Disconnection of services may be imposed by the Board of Directors, corporate offices, or appointed agents.
- c. Non-payment for ninety days past due. Membership in this Association may be terminated and the membership certificate may be purchased as provided for in Article V, Section 2 of these By-Laws.

Article XII

Distribution of Surplus Funds

Section 1. It is not anticipated that there will be any net income. If there should be any then at the end of the fiscal year, after paying the expenses of the Association for operation and otherwise and after setting aside reserves for depreciation on all buildings, equipment, and office fixtures and such other reserves as the Board of Directors may deem proper and after providing for payments on interest and principal of obligations and amortized debts of the Association, and after providing for the purchase of proper supplies and equipment, the net earnings shall be accumulated in a surplus fund for the purpose of replacing, enlarging, extending and repairing the system and property of the Association and for such other purposes as the Board of Directors may determine to be for the best interests of the Association. The said surplus fund or any portion thereof may from time to time at the discretion of the Board of Directors be distributed to the members as provided in the By-Laws, on the basis of the assessments and charges made and levied against and paid by such members during the year.

Section 2. Any part or the whole of such apportionment may be credited at the discretion of the Board of Directors, to the indebtedness of the members, should any exist, and in such case the members shall be notified in writing of the amount so applied.

Article XIII.

Amendments

Section 1. These by-Laws may be repealed or amended by a vote of the majority of the members at any regular meeting of the Association, or at any special meeting of the Association called for that purpose, except that the members shall not have the power to change the purposes of the Association in as to decrease its rights and powers under the laws of the state, or to waive any requirement of bond or other provision for the safety and security of the property and funds of the Association or its members, or to deprive any member of rights and privileges then existing, or so to amend the By-Laws as to effect a fundamental change in the policies of the Association. Notice of any amendment to be made at a regular or special meeting of the members must be given at least ten (10) days before such meeting and must set forth the amendments to be considered.

State of Idaho



Department of State

CERTIFICATE OF INCORPORATION

I, ~~PETE J. CHAMBERS~~ ~~ANTHONY J. CHAMBERS~~ 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

OUTLET WATER ASSOCIATION, INC.

was filed in the office of the Secretary of State on the **Seventeenth** day of **May** A. D. One Thousand Nine Hundred **Sixty-Seven** and ~~will be~~ recorded on ~~Edin~~ ~~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

Priest River, Idaho 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 **Seventeenth** day of **May**, A. D., 19 **67**.

Secretary of State

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SCANNED
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ARTICLES OF INCORPORATION

-of-

OUTLET WATER ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, all being of full age, and all citizens of the United States of America, have this day voluntarily associated ourselves together for the purpose of forming a non-profit cooperative association under Title 30, Chapter 10, Idaho Code, and to that end we hereby adopt the following Articles of Incorporation:

ARTICLE I. The name of the association shall be OUTLET WATER ASSOCIATION, INC.

ARTICLE II. The objects and purposes for which this association is formed are to do any and all of the things herein set forth to the same extent as natural persons might or could do, namely:

A. To acquire, by purchase or otherwise, a complete waterworks distribution system, which shall be composed of pipes, pumps, cisterns, storage tanks, buildings, fixtures, machinery, and such other properties, real or personal, as may be necessary for the operation of such a waterworks system;

B. To obtain, by grant or otherwise, such real properties, rights of way, and easements as may be necessary to permit the construction and maintenance of such waterworks system.

C. To borrow such money as may be necessary and proper

for its business purposes, and to issue the association's notes, bonds, or debentures therefor; and to mortgage or pledge any or all of the assets of the association as security for the performance of the covenants of such notes, bonds, or debentures.

D. To enter into, make, perform and carry out, contracts of every kind necessary, requisite or advantageous to the business operations of the association with any government, state, county, city, person, firm, association or corporation, domestic or foreign.

E. To sell, lease, mortgage, or otherwise dispose of any and all properties of the association.

F. To sell and distribute the water belonging to the association to its members only and on a non-profit, cooperative basis; and,

G. To do all things as may be reasonably necessary or convenient for carrying on the business of the association.

ARTICLE III. The period of existence and the duration of the life of the association shall be perpetual.

ARTICLE IV. The location of its principal office in the State of Idaho shall be on Route #5, Priest River, Idaho; and, the Post Office address of its registered office shall also be Route #5, Priest River, Idaho.

ARTICLE V. The rights and interests of all members shall always be equal.

ARTICLE VI. No capital stock shall ever be issued by the Association.

ARTICLE VII. Membership certificates shall be issued to each member of the association, which certificates cannot be assigned so that the transferee thereof can be such transfer

become a member of the association, except by resolution of the board of directors and under such regulations as the by-laws may prescribe.

IN WITNESS WHEREOF, we have hereunto set our hands this

5TH day of May, 1967.

NAME

ADDRESS:

<u>Harry R. Vengeler</u>	<u>Rt 5 Priest River Id.</u>
<u>Alvin E. Lymnells</u>	<u>Rt 5 Priest River</u>
<u>Donald W. Pithell</u>	<u>Priest River Rt 5,</u>
<u>Richard L. Brown</u>	<u>Priest River Route #5</u>
<u>Paul W. Gostineaux</u>	<u>Priest River, Idaho Rt #5</u>
<u>Bill Hughes</u>	<u>Priest River Idaho Rt 5</u>
<u>Ned Kelly</u>	<u>Rt 5 Priest River Idaho</u>
<u>and B. Jarvis</u>	<u>Rt 5 Priest River Id</u>
<u>Arn Ribas</u>	<u>Rt 5 Priest River Id</u>
<u>Don H. Wynn</u>	<u>E 1004 3rd Spokane, Wn</u>
<u>Robert Blough</u>	<u>E 1646 C. Lyman Ave</u>
<u>W. E. Buchanan</u>	<u>Rt 5 Priest River Idaho</u>
<u>W. E. Buchanan</u>	<u>Priest River Rt 5</u>
<u>Shelby E. Lane</u>	<u>1803 So Grand Blvd Spokane</u>
<u>Th. Morgan</u>	<u>1418 Marshall Richland Wn</u>
<u>Louise J. Thorne</u>	<u>1312 N. E. Blvd Spokane</u>

STATE OF IDAHO,)
 : ss.
County of Bonner,)

On this 5th day of May, 1967, before me, Fred F. Kondo,
a Notary Public, in and for the State of Idaho, personally
appeared WALTER P. HUNZIKER, ALLISON E. REYNNELLS, DONALD W.
PETTIT, RICHARD L. BARNES, and ORVAL W. GASTINEAU, known to me to
be five of the persons whose names are subscribed to the within
instrument, and acknowledged to me that they executed the same.

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



Notary Public, in and for the State of
Idaho, residing at Priest River, therein

KONDO
LAW

SCANNED
MAR 13 2015

3/31/98

7-44-11

IDAHO SECRETARY OF STATE

P. 5

ENTERED

38453 - a

**CERTIFICATE OF APPOINTMENT
OF REGISTERED AGENT**

KNOW ALL MEN BY THESE PRESENTS:

That Outlet Water Association, Inc.

(Name of Corporation)

an Idaho corporation, pursuant to section 30-1-12, Idaho Code, and by authority of its Board of Directors, does

hereby appoint Mildred H. Muzatko

(Name of Registered Agent)

of Rt. 5 - Box 133G

Priest River

(street address)

(city)

Idaho as its

Registered Agent in the State of Idaho, upon whom process issued by authority of or under any law of the State of Idaho may be served.

IN WITNESS WHEREOF the corporation has caused this certificate to be executed and verified by its

President (or Vice-President) on this 16th day of May, 1979

Outlet Water Association, Inc.

(Name of Corporation)

By Richard B. Bower

(President or Vice-President)

President

(Title)

STATE OF Idaho

County of Bonner

ss.

Subscribed and sworn to before me this 23rd day of May, 1979

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal.

Corinne R. Bower

Notary

(Title)

STATEMENT OF CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT, OR BOTH

To the Secretary of State of the State of Idaho:

Pursuant to the provisions of the Idaho Business Corporation Act, the undersigned corporation organized under the laws of the State of Idaho submits the following statement for the purpose of changing its registered office or its registered agent, or both, in the State of Idaho.

1. The name of the corporation is Outlet Water Association, Inc.
2. The street or RFD address of its present registered office is Rt. 5 Box-133-G
Priest River, Idaho 83856
3. The street or RFD address to which its registered office is to be changed is Rt. 5 Box 155-A
Priest River, Idaho 83856
4. The name of its old registered agent is Mildred Muzatko
5. The name of its new registered agent is Diane D. Jones
6. The address of the registered office and the business address of the registered agent are identical.
7. The foregoing change was authorized by resolution of the board of directors.

Dated September 17, 19 84

By Richard Barnes

Title: Chairman

(Must be signed by an officer of the corporation)

STATE OF Idaho

COUNTY OF Bonner

I, Mark Workman, a notary public, do hereby certify that on this 17th day of September, 19 84, personally appeared before me Richard Barnes, who being by me first duly sworn, declared that he is the Chairman of Outlet Water Association

that he signed the foregoing document as Chairman of the corporation and that the statements therein contained are true.

Mark Workman
Notary Public

State of Idaho

Department of State

CORPORATION REINSTATEMENT CERTIFICATE

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, do hereby certify that
OUTLET WATER ASSOCIATION, INC.

a corporation organized under the laws of the State of Idaho, forfeited its
corporate powers or its right to do business in the State of Idaho on December 2, 1985

I FURTHER CERTIFY That the corporation has on January 29, 1986, been
reinstated on the records of this office, and that its corporate powers or its right to do business in the
State of Idaho are hereby restored.

Dated: **January 29, 1986**



Pete T. Cenarrusa

SECRETARY OF STATE

By: *[Signature]*

38453

State of Idaho

Department of State

CORPORATION REINSTATEMENT CERTIFICATE

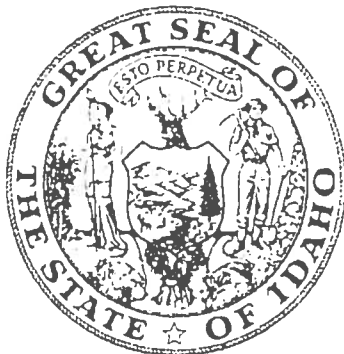
I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, do hereby certify that

OUTLET WATER ASSOCIATION, INC.

a corporation organized under the laws of the State of Idaho, forfeited its corporate powers or its right to do business in the State of Idaho on December 3, 1990.

I FURTHER CERTIFY That the corporation has on April 1, 1991, been reinstated on the records of this office, and that its corporate powers or its right to do business in the State of Idaho are hereby restored.

Dated: April 1, 1991



Pete T. Cenarrusa

SECRETARY OF STATE

By: [Signature]

Authorization ID: PRI81
Contact ID: OUTLET BAY
Expiration Date: 12/31/2013
Use Code: 915

FS-2700-4 (05/03)
OMB 0596-0082

**U.S. DEPARTMENT OF AGRICULTURE
Forest Service
SPECIAL USE PERMIT
AUTHORITY:
FEDERAL LAND POLICY AND MGMT ACT, AS AMENDED October 21, 1976**

OUTLET BAY WATER ASSOCIATION of 481 Outlet Bay Road, PRIEST RIVER, ID 83856 (hereinafter called the Holder) is hereby authorized to use or occupy National Forest System lands, to use subject to the conditions set out below, on the Idaho Panhandle National Forests.

This permit covers 0.7 acres, and/or 0.6 miles and is described as: a right-of-way approximately 3000 feet in length and 10 feet in width, located in E1/2 NE1/4 Section 6, T. 59 N., R. 4 W., B.M., as shown on the location map attached to and made a part of this permit, and is issued for the purpose of:

Operation and maintenance of a water transmission system consisting of a deep well, pump house, access trail, and 3-inch buried water transmission line. Maintenance work specific to replacement of a section of pipeline where it crosses Lamb Creek is also included in this permit.

The above described or defined area shall be referred to herein as the "permit area".

TERMS AND CONDITIONS

I. AUTHORITY AND GENERAL TERMS OF THE PERMIT

A. Authority. This permit is issued pursuant to the authorities enumerated at Title 36, Code of Federal Regulations, Section 251 Subpart B, as amended. This permit, and the activities or use authorized, shall be subject to the terms and conditions of the Secretary's regulations and any subsequent amendment to them.

B. Authorized Officer. The authorized officer is the Forest Supervisor or a delegated subordinate officer.

C. License. This permit is a license for the use of federally owned land and does not grant any permanent, possessory interest in real property, nor shall this permit constitute a contract for purposes of the Contract Disputes Act of 1978 (41 U.S.C. 611). Loss of the privileges granted by this permit by revocation, termination, or suspension is not compensable to the holder.

D. Amendment. This permit may be amended in whole or in part by the Forest Service when, at the discretion of the authorized officer, such action is deemed necessary or desirable to incorporate new terms, conditions, and stipulations as may be required by law, regulation, land management plans, or other management decisions.

E. Existing Rights. This permit is subject to all valid rights and claims of third parties. The United States is not liable to the holder for the exercise of any such right or claim.

F. Nonexclusive Use and Public Access. Unless expressly provided for in additional terms, use of the permit area is not exclusive. The Forest Service reserves the right to use or allow others to use any part of the permit area, including roads, for any purpose, provided, such use does not materially interfere with the holder's authorized use. A final determination of conflicting uses is reserved to the Forest Service.

G. Forest Service Right of Entry and Inspection. The Forest Service has the right of unrestricted access of the permitted area or facility to ensure compliance with laws, regulations, and ordinances and the terms and conditions of this permit.

H. Assignability. This permit is not assignable or transferable. If the holder through death, voluntary sale or transfer, enforcement of contract, foreclosure, or other valid legal proceeding ceases to be the owner of the improvements, this permit shall terminate.

I. Permit Limitations. Nothing in this permit allows or implies permission to build or maintain any structure or facility, or to conduct any activity unless specifically provided for in this permit. Any use not specifically identified in this permit must be approved by the authorized officer in the form of a new permit or permit amendment.

II. TENURE AND ISSUANCE OF A NEW PERMIT

A. Expiration at the End of the Authorized Period. This permit will expire at midnight on 12/31/2013. Expiration shall occur by operation of law and shall not require notice, any decision document, or any environmental analysis or other documentation.

B. Minimum Use or Occupancy of the Permit Area. Use or occupancy of the permit area shall be exercised at least 365 days each year, unless otherwise authorized in writing under additional terms of this permit.

C. Notification to Authorized Officer. If the holder desires issuance of a new permit after expiration, the holder shall notify the authorized officer in writing not less than six (6) months prior to the expiration date of this permit.

D. Conditions for Issuance of a New Permit. At the expiration or termination of an existing permit, a new permit may be issued to the holder of the previous permit or to a new holder subject to the following conditions:

1. The authorized use is compatible with the land use allocation in the Forest Land and Resource Management Plan.
2. The permit area is being used for the purposes previously authorized.
3. The permit area is being operated and maintained in accordance with the provisions of the permit.
4. The holder has shown previous good faith compliance with the terms and conditions of all prior or other existing permits, and has not engaged in any activity or transaction contrary to Federal contracts, permits laws, or regulations.

E. Discretion of Forest Service. Notwithstanding any provisions of any prior or other permit, the authorized officer may prescribe new terms, conditions, and stipulations when a new permit is issued. The decision whether to issue a new permit to a holder or successor in interest is at the absolute discretion of the Forest Service.

F. Construction. Any construction authorized by this permit may commence by October 20, 2003 and shall be completed by December 31, 2004. If construction is not completed within the prescribed time, this permit may be revoked or suspended.

III. RESPONSIBILITIES OF THE HOLDER

A. Compliance with Laws, Regulations, and other Legal Requirements. The holder shall comply with all applicable Federal, State, and local laws, regulations, and standards, including but not limited to, the Federal Water Pollution Control Act, 33 U.S.C. 1251 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et seq., the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9601 et seq., and other relevant environmental laws, as well as public health and safety laws and other laws relating to the siting, construction, operation, and maintenance of any facility, improvement, or equipment on the property.

B. Plans. Plans for development, layout, construction, reconstruction, or alteration of improvements on the permit area, as well as revisions of such plans, must be prepared by a qualified individual acceptable to the authorized officer and shall be approved in writing prior to commencement of work. The holder may be required to furnish as-built plans, maps, or surveys, or other similar information, upon completion of construction.

C. Maintenance. The holder shall maintain the improvements and permit area to standards of repair, orderliness, neatness, sanitation, and safety acceptable to the authorized officer and consistent with other provisions of this authorization. If requested, the holder shall comply with inspection requirements deemed appropriate by the authorized officer.

D. Hazard Analysis. The holder has a continuing responsibility to identify all hazardous conditions on the permit area that would affect the improvements, resources, or pose a risk of injury to individuals. Any non-emergency actions to abate such hazards shall be performed after consultation with the authorized officer. In emergency situations, the holder shall notify the authorized officer of its actions as soon as possible, but not more than 48 hours, after such actions have been taken.

E. Change of Address. The holder shall immediately notify the authorized officer of a change in address.

F. Change in Ownership. This permit is not assignable and terminates upon change of ownership of the improvements or control of the business entity. The holder shall immediately notify the authorized officer when a change in ownership or control of business entity is pending. Notification by the present holder and potential owner shall be executed using Form SF-299 Application for Transportation and Utility Systems and Facilities of Federal Lands, or Form FS-2700-3a, Holder Initiated Revocation of Existing Authorization, Request for a Special Use Permit. Upon receipt of the proper documentation, the authorized officer may issue a permit to the party who acquires ownership of, or a controlling interest in, the improvements or business entity.

IV. LIABILITY

For purposes of this section, "holder" includes the holder's heirs, assigns, agents, employees, and contractors.

A. The holder assumes all risk of loss to the authorized improvements.

B. The holder shall indemnify, defend, and hold the United States harmless for any violations incurred under any such laws and regulations or for judgments, claims, or demands assessed against the United States in connection with the holder's use or occupancy of the property. The holder's indemnification of the United States shall include any loss by personal injury, loss of life or damage to property in connection with the occupancy or use of the property during the term of this permit. Indemnification shall include, but is not limited to, the value of resources damaged or destroyed; the costs of restoration, cleanup, or other mitigation; fire suppression or other types of abatement costs; third party claims and judgments; and all administrative, interest, and other legal costs. This paragraph shall survive the termination or revocation of this authorization, regardless of cause.

C. The holder has an affirmative duty to protect from damage the land, property, and interests of the United States.

D. In the event of any breach of the conditions of this authorization by the holder, the authorized officer may, on reasonable notice, cure the breach for the account at the expense of the holder. If the Forest Service at any time pays any sum of money or does any act which will require payment of money, or incurs any expense, including reasonable attorney's fees, in instituting, prosecuting, and/or defending any action or proceeding to enforce the United States rights hereunder, the sum or sums so paid by the United States, with all interests, costs and damages shall, at the election of the Forest Service, be deemed to be additional fees hereunder and shall be due from the holder to the Forest Service on the first day of the month following such election.

E. With respect to roads, the holder shall be proportionally liable for damages to all roads and trails of the United States open to public use caused by the holder's use to the same extent as provided above, except that liability shall not include reasonable and ordinary wear and tear.

F. The Forest Service has no duty to inspect the permit area or to warn of hazards and, if the Forest Service does inspect the permit area, it shall incur no additional duty nor liability for identified or non-identified hazards. This covenant may be enforced by the United States in a court of competent jurisdiction.

V. TERMINATION, REVOCATION, AND SUSPENSION

A. General. For purposes of this permit, "termination", "revocation", and "suspension" refer to the cessation of uses and privileges under the permit.

"Termination" refers to the cessation of the permit under its own terms without the necessity for any decision or action by the authorized officer. Termination occurs automatically when, by the terms of the permit, a fixed or agreed upon condition, event, or time occurs. For example, the permit terminates at expiration. Terminations are not appealable.

"Revocation" refers to an action by the authorized officer to end the permit because of noncompliance with any of the prescribed terms, or for reasons in the public interest. Revocations are appealable.

"Suspension" refers to a revocation which is temporary and the privileges may be restored upon the occurrence of prescribed actions or conditions. Suspensions are appealable.

B. Revocation or Suspension. The Forest Service may suspend or revoke this permit in whole or part for:

1. Noncompliance with Federal, State, or local laws and regulations.
2. Noncompliance with the terms and conditions of this permit.
3. Reasons in the public interest.
4. Abandonment or other failure of the holder to otherwise exercise the privileges granted.

C. Opportunity to Take Corrective Action. Prior to revocation or suspension for cause pursuant to Section V (B), the authorized officer shall give the holder written notice of the grounds for each action and a reasonable time, not to exceed 90 days, to complete the corrective action prescribed by the authorized officer.

D. Removal of Improvements. Prior to abandonment of the improvements or within a reasonable time following revocation or termination of this authorization, the holder shall prepare, for approval by the authorized officer, an abandonment plan for the permit area. The abandonment plan shall address removal of improvements and restoration of the permit area and prescribed time frames for these actions. If the holder fails to remove the improvements or restore the site within the prescribed time period, they become the property of the United States and may be sold, destroyed or otherwise disposed of without any liability to the United States. However, the holder shall remain liable for all cost associated with their removal, including costs of sale and impoundment, cleanup, and restoration of the site.

VI. FEES

A. Termination for Nonpayment. This permit shall automatically terminate without the necessity of prior notice when land use rental fees are 90 calendar days from the due date in arrears.

B. The holder shall pay annually in advance a sum determined by the Forest Service to be the fair market value of the use granted by this authorization. The initial payment is set at \$ n/a for the remainder of the calendar year. Subsequent payments shall be determined by the use of an annual fee schedule. The Forest Service may adjust the amount of payment annually by an appropriate indexing factor to reflect more nearly the fair market value of the use. At certain intervals the Forest Service shall review the fee and adjust the fee as necessary to assure that it is commensurate with the fair market value of the authorized rights and privileges, as determined by appraisal or other sound business management principles.

C. Payment Due Date. The payment due date shall be the close of business on January 1st of each calendar year payment is due. Payments due the United States for this use shall be deposited at USDA - FS, File 71652, P.O. Box 60000, San Francisco, CA 94160-1652, in the form of a check, draft, or money order payable to "Forest Service, USDA." Payments shall be credited on the date received by the designated Forest Service collection officer or deposit location. If the due date for the fee or fee calculation statement falls on a non-workday, the charges shall not apply until the close of business on the next workday.

D. Late Payment Interest, Administrative Costs and Penalties Pursuant to 31 U.S.C. 3717, et seq., interest shall be charged on any fee amount not paid within 30 days from the date the fee or fee calculation financial statement specified in this authorization becomes due. The rate of interest assessed shall be the higher of the rate of the current value of funds to the U.S. Treasury (i.e., Treasury tax and loan account rate), as prescribed and published by the Secretary of the Treasury in the Federal Register and the Treasury Fiscal Requirements Manual Bulletins annually or quarterly or at the Prompt Payment Act rate. Interest on the principal shall accrue from the date the fee or fee calculation financial statement is due.

In the event the account becomes delinquent, administrative costs to cover processing and handling of the delinquency will be assessed.

A penalty of 6 percent per annum shall be assessed on the total amount delinquent in excess of 90 days and shall accrue from the same date on which interest charges begin to accrue.

Payments will be credited on the date received by the designated collection officer or deposit location. If the due date for the fee or fee calculation statement falls on a non-workday, the charges shall not apply until the close of business on the next workday.

Disputed fees are due and payable by the due date. No appeal of fees will be considered by the Forest Service without full payment of the disputed amount. Adjustments, if necessary, will be made in accordance with settlement terms or the appeal decision.

If the fees become delinquent, the Forest Service will:

Liquidate any security or collateral provided by the authorization.

If no security or collateral is provided, the authorization will terminate and the holder will be responsible for delinquent fees as well as any other costs of restoring the site to its original condition including hazardous waste cleanup.

Upon termination or revocation of the authorization, delinquent fees and other charges associated with the authorization will be subject to all rights and remedies afforded the United States pursuant to 31 U.S.C. 3711 *et seq.* Delinquencies may be subject to any or all of the following conditions:

Administrative offset of payments due the holder from the Forest Service.

Delinquencies in excess of 60 days shall be referred to United States Department of Treasury for appropriate collection action as provided by 31 U.S.C. 3711 (g), (1).

The Secretary of the Treasury may offset an amount due the debtor for any delinquency as provided by 31 U.S.C. 3720, *et seq.*)

VII. OTHER PROVISIONS

A. Members of Congress. No Member of or Delegate to Congress or Resident Commissioner shall benefit from this permit either directly or indirectly, except when the authorized use provides a general benefit to a corporation.

B. Appeals and Remedies. Any discretionary decisions or determinations by the authorized officer are subject to the appeal regulations at 36 CFR 251, Subpart C, or revisions thereto.

C. Superior Clauses. In the event of any conflict between any of the preceding printed clauses or any provision thereof and any of the following clauses or any provision thereof, the preceding printed clauses shall control.

D. Improvement Relocation (X33). This authorization is granted with the express understanding that should future location of United States Government-owned improvements or road rights-of-way require the relocation of the holder's improvements, such relocation will be done by, and at the expense of, the holder within a reasonable time as specified by the authorized officer.

E. Water Rights (X74). This authorization does not convey any legal interest in water rights as defined by applicable State law.

F. Potable Water Systems (R1-B3). Drinking water testing shall be accomplished by the holder in accordance with Federal, State, and local regulations, or as directed by State health officials. A sample of the drinking water shall be submitted by the holder to a certified laboratory for bacteriological analysis prior to opening the seasonal system to public use. The minimum rate of testing is once per month during the period of operation if (1) the system uses surface water or ground water under the direct influence of surface water, or (2) the system is classified as a community system that serves at least 10 service connections serving year-round residences.

The minimal rate of bacteriological testing for groundwater systems is once per calendar quarter during the period of operation.

In addition, the holder shall submit a drinking water sample to a certified laboratory for nitrate and nitrite analysis once every year. Nitrate plus nitrite levels in excess of 10 milligrams per liter will not be supplied to the public.

Copies of all test results will be forwarded to the District Ranger, and appropriate action taken to correct any deficiencies as may be deemed necessary by the Forest Service and/or State or local health officials.

G. Noxious Weed/Exotic Plant Prevention and Control (R1-D4). The holder shall be responsible for the prevention and control of noxious weeds and/or exotic plants of concern on the area authorized by this authorization and shall provide prevention and control measures prescribed by the Forest Service. Noxious weeds/exotic plants of concern are defined as those species recognized by (county weed authority/national forest) in which the authorized use is located.

The holder shall also be responsible for prevention and control of noxious weed/exotic plant infestations which are not within the authorized area, but which are determined by the Forest Service to have originated with the authorized area.

When determined to be necessary by the authorized officer, the holder shall develop a site-specific plan for noxious weed/exotic plant prevention and control. Such plan shall be subject to Forest Service approval. Upon Forest service approval, the noxious weed/exotic plant prevention and control plan shall become a part of this authorization, and its provisions shall be enforceable under the terms of this authorization.

H. Conflicts with National Forest Management (R1-E3). This special-use authorization does not convey exclusive rights, privileges, use or control of National Forest System lands. When, upon the authorized officer's written notice that the authorized use will or does conflict with National Forest management practices and activities, it shall be the holder's sole responsibility to modify the use. Modifications shall be approved in advance by the Forest Service and completed in a reasonable and timely fashion. The holder's inability or unwillingness to institute acceptable and timely modification shall be cause to either suspend or revoke this authorization; whichever action is deemed by the authorized officer as the more appropriate.

I. Historical-Archeological-Paleontological Discoveries (R1-X8). If during activities conducted under this authorization, items of significant historical, archaeological or paleontological interest, or human skeletal remains are discovered, or a known or unknown deposit of such items may be or is disturbed, the holder will immediately cease activities in the area so affected. The holder will then notify the Forest Service and will not resume activities until written approval is given by the authorized officer.

J. Forest Service Representative (R1-X16). The District Ranger, Priest Lake Ranger District, Telephone No. (208) 443-2512, is responsible for administering this special-use authorization. The holder should contact the District Ranger regarding any questions concerning the occupancy and use authorized and the provisions of this authorization.

K. Information From Holders (R1-X17). As a condition of this authorization, the holder is responsible for providing the authorized officer with any information in possession necessary for determining annual rental fees, ownership, or other matters concerning the administration of the authorized use by the Forest Service.

Regarding the submission of such information, the holder understands that it is a crime for any person to knowingly and willfully make false, fictitious, or fraudulent statements to matters under the jurisdiction of the United States Government (Title 18, U.S.C. Section 1001).

L. Association Status Notification (R1-X18). The holder shall furnish the Forest Service a copy of its articles of association or charter, association's bylaws, and the names of authorized representatives of the association. The holder shall require all users of the holder's premises and improvements to be members of the association. The holder may not exercise any of the privileges granted herein until the Forest Supervisor has consented to the bylaws and they are made a part of this authorization. The holder shall advise the Forest Service of any changes made or proposed to any of these documents at least 30 days in advance of the effective date for such changes.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082.

This information is needed by the Forest Service to evaluate requests to use National Forest System lands and manage those lands to protect natural resources, administer the use, and ensure public health and safety. This information is required to obtain or retain a benefit. The authority for that requirement is provided by the Organic Act of 1897 and the Federal Land Policy and Management Act of 1976, which authorize the Secretary of Agriculture to promulgate rules and regulations for authorizing and managing National Forest System lands. These statutes, along with the Term Permit Act, National Forest Ski Area Permit Act, Granger-Thye Act, Mineral Leasing Act, Alaska Term Permit

Act, Act of September 3, 1954, Wilderness Act, National Forest Roads and Trails Act, Act of November 16, 1973, Archaeological Resources Protection Act, and Alaska National Interest Lands Conservation Act, authorize the Secretary of Agriculture to issue authorizations for the use and occupancy of National Forest System lands. The Secretary of Agriculture's regulations at 36 CFR Part 251, Subpart B, establish procedures for issuing those authorizations.

The Privacy Act of 1974 (5 U.S.C. 552a) and the Freedom of Information Act (5 U.S.C. 552) govern the confidentiality to be provided for information received by the Forest Service Public reporting burden for collection of information, if requested, is estimated to average 1 hour per response for annual financial information; average 1 hour per response to prepare or update operation and/or maintenance plan; average 1 hour per response for inspection reports; and an average of 1 hour for each request that may include such things as reports, logs, facility and user information, sublease information, and other similar miscellaneous information requests. This includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

This permit is accepted subject to the conditions set out above.

Date 10-23-03 OUTLET WATER ASSOCIATION

(CORPORATE SEAL)

By: Ken Eldore
(Vice) President

ATTEST: Vernon H. Melvin

(Assistant) Secretary

The following certificate shall be executed by the Secretary or Assistant Secretary of the Corporation:

I VERNON H. MELVIN certify that I am the Secretary Secretary of the Corporation that executed the above permit; that KEN ELDORE who signed said permit on behalf of said Corporation was then PRESIDENT of said Corporation; that I know his/her signature on said permit is genuine; and that said permit was duly signed, sealed, and attested to for and on behalf of said Corporation by authority of its governing body

(CORPORATE SEAL)

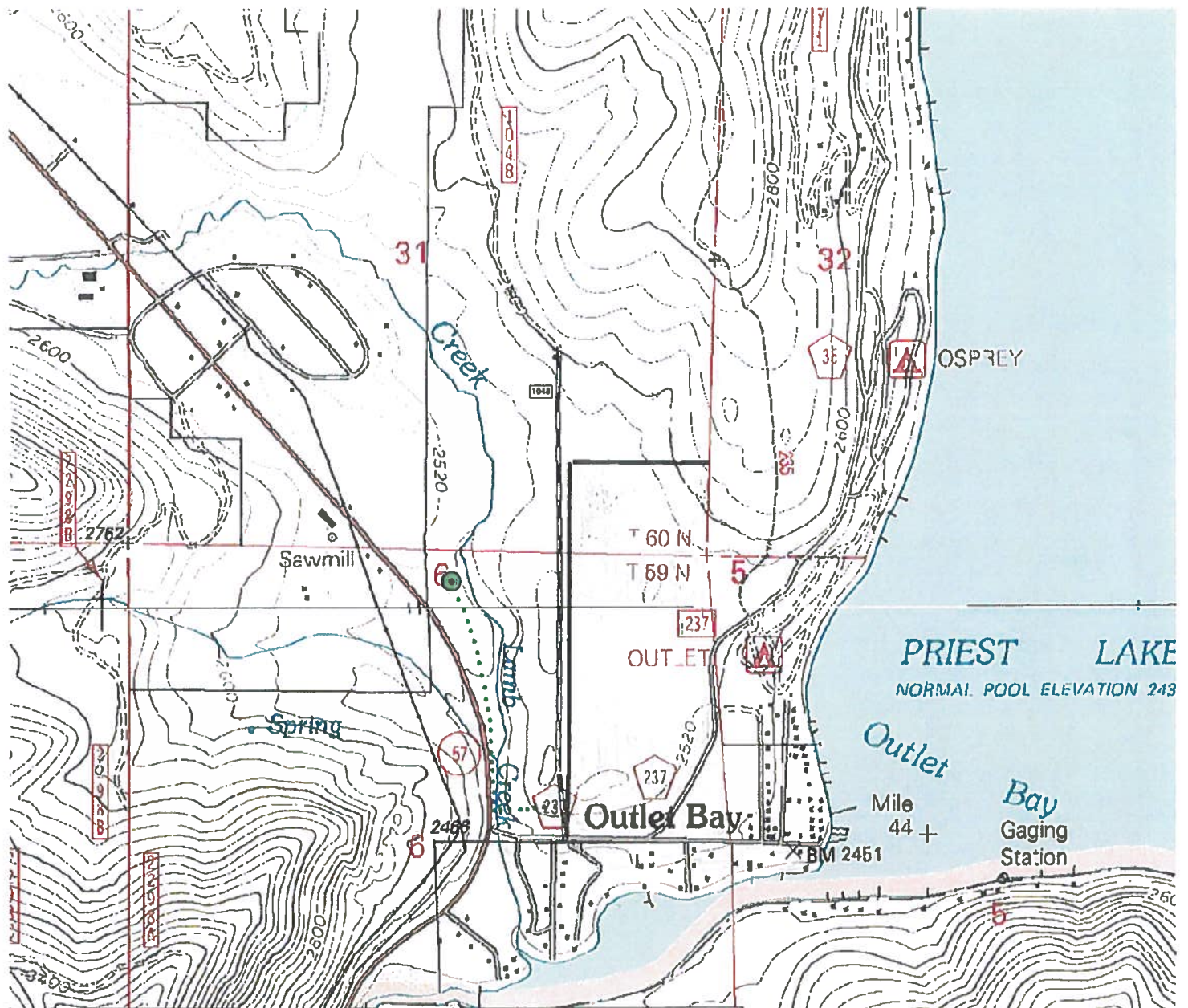
Vernon H. Melvin
(Assistant Secretary)

U. S. DEPARTMENT OF AGRICULTURE
Forest Service

By: Kathy Murphy
KATHY MURPHY
District Ranger

Date: 10-27-03

Outlet Water Association
Special Use Permit
T. 59 N., R. 4 W., Section 6



LEGEND

Scale 4 inches = 1 mile

Well and Pumphouse

Water Transmission Line

National Forest Lands

NORTH

rd 2003

SCANNED
MAR 13 2015



JAMES A. SEWELL & ASSOCIATES, LLC

600-4th Street West
Newport, Washington 99156
(509) 447-3626 (208) 437-2641
(509) 447-2112 Fax

*Civil Engineering *Electrical Engineering *Land Surveying *Building Inspection * Land Use Planning

February 23, 2015

Idaho Dept of Water Resources
7600 N. Mineral Dr, Suite 100
Coeur d'Alene, ID 83815-7763

Attn: **Keith E. Franklin, Program Manager**
Subj: **Outlet Water Association, Priest Lake**
Ref: **Water Right Application**

RECEIVED
FEB 27 2015
IDWR / NORTH

Dear Keith:

Attached herewith, please find an application package for an Application for Permit to appropriate the public waters of the State of Idaho, on behalf of the Outlet Water Association. The application package includes the following:

- ▶ A \$250 Application for Permit fee
- ▶ Completed Application for Permit form
- ▶ Municipal Water Right Application Checklist
- ▶ Quad map showing proposed location of the groundwater well and the service area
- ▶ Certificate of Incorporation for the Outlet Water Assn.
- ▶ By-Laws of Outlet Water Association

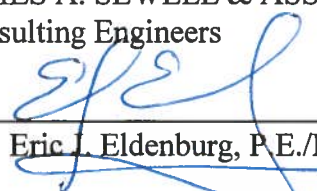
Please let us know if any additional information is needed to process this Application. You may call or contact me via email at eeldenburg@jasewell.com, whichever is more convenient.

Thanks.

Sincerely,

JAMES A. SEWELL & ASSOCIATES
Consulting Engineers

By


Eric J. Eldenburg, P.E./Principal

James A. Sewell & Associates, LLC
Newport Office - 600-4th Street West, Newport, WA 99156 (509)447-3626 (509)447-2112 Fax
Sandpoint Office - 1319 N. Division St, Sandpoint, ID 83864 (208)263-4160 (509)263-5229 Fax
Spokane Office - 400 S. Jefferson Ave, Suite 452, Spokane, WA 99204 (509)747-5794 (509)747-5798 Fax

SCANNED
MAR 13 2015

EJE/eje

encl: Application Package

pc: Outlet Water Association, P.O. Box 846, Priest River, ID 83856 w/encl
File w/encl

James A. Sewell & Associates, LLC

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SCANNED
MAR 13 2015



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region, 7600 Mineral Drive, Suite 100, Coeur d'Alene, Idaho 83815

Phone: (208) 762-2800 FAX: (208) 762-2819 www.idwr.idaho.gov

March 13, 2015

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

OUTLET WATER ASSN
PO BOX 846
PRIEST RIVER, ID 83856

Application For Permit No. 97-7521

Dear Applicant(s):

The Department of Water Resources has received your water right application. Please refer to the number referenced above in all future correspondence regarding this application.

A legal notice of the application has been prepared and is scheduled for publication in the BONNER COUNTY DAILY BEE on 3/19/2015 and 3/26/2015. Protests to this application may be submitted for a period ending ten (10) days after the second publication.

If the application is protested, you will be sent a copy of each protest. All protests must be resolved before the application can be considered for approval. If the protest(s) cannot be resolved voluntarily, the Department will conduct a conference and/or hearing on the matter.

If the application is not protested, the Department will process your application and notify you of any action taken on the application. If your application is approved, the Department will send you a copy of the permit.

Please contact this office if you have any questions regarding the application.

Sincerely,

Adam Frederick

Adam Frederick
Water Resource Agent

Enc – Receipt No. N031080

SCANNED
MAR 13 2015

Ball, Dianne

From: Ball, Dianne
Sent: Friday, March 13, 2015 10:59 AM
To: Legal Notices-Bonner Co Daily Bee-Amber Bangeman
Subject: Application for Permit No. 96-9560, 96-9561, 97-7521
Attachments: LegalNotice 03-13-15 BCDB e-mail 96-9560, 9561, 97-7521.doc

Good morning, Amber,

Please publish the enclosed legal notice on the dates indicated, March 19 and 26, 2015, (once a week for two consecutive weekly issues). If you cannot publish the notice on the proposed dates, please contact us immediately.

Please send a *proof/preview copy* for my review before this actually goes to press.

Also, please ask the person(s) who will be doing layout/setup to specifically note the **USE area** with dates and water use amounts that are offset and lined up on each of the three water rights involved. The legal for the paper should appear in the same manner as submitted.

An affidavit of publication must be submitted to the Department along with the publication bill. Please send the affidavit and bill to this office before 4/6/2015. Your cooperation is as always, greatly appreciated.

Thank you for all that *you* do to help our legals look so professional.

Dianne Ball

Administrative Assistant
Idaho Department of Water Resources
7600 N Mineral Dr., Ste. 100
Coeur d'Alene, ID 83815
208-762-2800 Fax 208-762-2819

SCANNED
MAR 13 2015

The following application(s) have been filed to appropriate the public waters of the State of Idaho:

96-9560

JACK CHILDRESS
KANDI CHILDRESS
739 PENINSULA RD
HOPE, ID 83836
Point of Diversion NENW S12 T56N R01E BONNER County
Source GROUND WATER
Use: DOMESTIC 01/01 to 12/31 0.04 CFS
Use: STOCKWATER 01/01 to 12/31 0.02 CFS
Total Diversion: 0.06 CFS
Date Filed: 2/26/2015
Place of Use: DOMESTIC T56N R01E S12 NENW
Place of Use: STOCKWATER T56N R01E S12 NENW
Domestic use is for 1 home.
Stockwater use is for 2 horses

96-9561

JACK CHILDRESS
KANDI CHILDRESS
739 PENINSULA RD
HOPE, ID 83836
Point of Diversion NENW S12 T56N R01E BONNER County
Source GROUND WATER
Use: DOMESTIC 01/01 to 12/31 0.04 CFS
Total Diversion: 0.04 CFS
Date Filed: 2/26/2015
Place of Use: DOMESTIC T56N R01E S12 NENW
Domestic use is for seasonal guest cottage.

97-7521

OUTLET WATER ASSN
PO BOX 846
PRIEST RIVER, ID 83856
Point of Diversion SWNE S6 T59N R04W BONNER County
Point of Diversion SWNE S6 T59N R04W BONNER County
Source GROUND WATER
Use: MUNICIPAL 01/01 to 12/31 0.56 CFS
Total Diversion: 0.56 CFS
Date Filed: 2/27/2015
Place of Use: MUNICIPAL
Municipal use is within service area of applicant.
Permits will be subject to all prior water rights. For additional information concerning the property location, contact Northern Region office at (208) 762-2800; or for a full description of the right(s), please see:

www.idwr.idaho.gov/apps/ExtSearch/WRFiling.asp.

Protests may be submitted based on the criteria of Idaho Code § 42-203A. Any protest against the approval of this application must be filed with the Director, Dept. of Water Resources, Northern Region, 7600 Mineral Drive, Suite 100, Coeur D'Alene ID 83815 together with a protest fee of \$25.00 for each application on or before 4/6/2015. The protestant must also send a copy of the protest to the applicant.

GARY SPACKMAN, Director
Published on 3/19/2015 and 3/26/2015

SCANNED
MAR 13 2015