

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED

FEB 03 2025

NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

1. IDWR / NORTH

Enter the number of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "Yes" in the "Split?" column. If the water right is leased to the Water Supply Bank, check "Yes". If you are not sure if the water right is leased to the Water Supply Bank, [see #7](#) of the instructions.

Water Right/Claim No.	Split?	Leased to Water Supply Bank?	Water Right/Claim No.	Split?	Leased to Water Supply Bank?
96-7515	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐

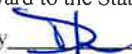
2. Previous Owner's Name: FARKO WATER SYSTEM, INC.
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): CEDAR SPRINGS COMMUNITY WATER, INC.
New owner(s) as listed on the conveyance document Name connector ☐ and ☐ or
1083 PONDEROSA RD SAGLE ID 83860-4929
Mailing address City State Zip
208-254-0754 cedarspringscommunitywater@gmail.com
Telephone Email
4. If the water rights and/or adjudication claims were split, how did the division occur?
☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.
☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.
5. Date you acquired the water rights and/or claims listed above: 10/29/2024
6. Do you own the land identified as the water right place of use? Yes ☒ No ☐
o If no, attach evidence that written notice of the change of water right ownership has been delivered to the landowner of record.
7. This form must be signed and submitted with the following **REQUIRED** items:
☒ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.
☒ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).
☒ Filing fee (see instructions for further explanation):
o \$25 per *undivided* water right.
o \$100 per *split* water right.
o No fee is required for pending adjudication claims.
☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.
☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

8. Signature:  Chairman 01/29/2025
Signature of new owner/claimant Title, if applicable Date
Stephani Blackburn
Print name

Signature: _____ Title, if applicable _____ Date _____
Signature of new owner/claimant Title, if applicable Date
Print name

Received by ms Date 2/3/25 For IDWR Office Use Only: Receipt No. N045185 Receipt Amt. \$25⁰⁰

Active in the Water Supply Bank? Yes ☐ No ☐ If yes, forward to the State Office for processing W-9 received? Yes ☐ No ☐

Name on W-9 _____ Approved by  Processed by  Date 2-6-2025

Refund request submitted on 2-6-2025



0005952582

**STATE OF IDAHO***Office of the secretary of state, Phil McGrane***ARTICLES OF DISSOLUTION (NONPROFIT CORPORATIONS)**

Idaho Secretary of State

PO Box 83720

Boise, ID 83720-0080

(208) 334-2301

Filing Fee: \$0.00

*For Office Use Only***-FILED-**

File #: 0005952582

Date Filed: 10/29/2024 9:36:31 AM

Articles of Dissolution (Nonprofit Corporations)	
Standard, Expedited or Same Day Service (select one)	Standard (filing fee \$0)
1. The name of the corporation is: Farko Water System Inc.	
The file number of this entity on the records of the Idaho Secretary of State is:	0004041266
2. The date the dissolution was authorized is: Date authorized: 10/29/2024	
3. The corporation is dissolved upon the effective date of its articles of dissolution. Effective date of dissolution: 10/29/2024	
4. Select the manner by which the dissolution was approved: If the corporation has no members, the dissolution was approved by a sufficient vote of the board.	
The Articles of Dissolution must be signed by the presiding officer of the board of directors or by an officer of the corporation.	
<i>Larry Fairfax</i> Sign Here	<i>10/29/2024</i> Date
Job Title: President, Control Operator	

B0957-5603 10/29/2024 9:36 AM Received by Office of the Idaho Secretary of State



0006038158

**STATE OF IDAHO***Office of the secretary of state, Phil McGrane***ARTICLES OF INCORPORATION (NONPROFIT)**

Idaho Secretary of State
PO Box 83720
Boise, ID 83720-0080
(208) 334-2301
Filing Fee: \$30.00

*For Office Use Only***-FILED-**

File #: 0006038158

Date Filed: 1/7/2025 2:28:09 PM

B0978-2349 01/07/2025 2:28 PM Received by Office of the Idaho Secretary of State

Articles of Incorporation (Nonprofit)	
Select one: Standard, Expedited or Same Day Service (see descriptions below)	Standard (filing fee \$30)
Article 1: Corporation Name Entity name	Cedar Springs Community Water, Inc.
Article 2: Effective Date The corporation shall be effective	when filed with the Secretary of State.
Article 3: Purpose The purpose for which the corporation is organized is:	Water Users Association
Article 4: Voting Members: The corporation	has voting members.
Article 5: Asset Distribution on Dissolution Upon dissolution the assets shall be distributed:	the residual assets of the Corporation (after all creditors of the Corporation have been paid), shall be distributed to the members prorated in accordance with their respective membership interests.
Article 6: IRS Designation Does this nonprofit corporation intend to file as a 501(c)(3) with the IRS?	Yes
501(c)3 purpose for which the corporation is organized:	Provide safe reliable water to its members.
Article 7: The mailing address of the corporation shall be: Mailing Address	STEPHANI BLACKBURN 1083 PONDEROSA RD SAGLE, ID 83860-4929
Article 8: Registered Agent Name and Address Registered Agent	Stephani Blackburn Registered Agent Physical Address 1083 PONDEROSA RD SAGLE, ID 83860 Mailing Address 34 SILVER REEF RD CEDAR SPRINGS COMMUNITY WATER SAGLE, ID 83860-9386
☒ I affirm that the registered agent appointed has consented to serve as registered agent for this entity.	
Article 9: Incorporator Name(s) and Address(es)	
Name	Incorporator Address
Stephani Blackburn	STEPHANI BLACKBURN 1083 PONDEROSA RD SAGLE, ID 83860



B0978-2350 01/07/2025 2:28 PM Received by Office of the Idaho Secretary of State

Article 10: Director Name(s) and Address(es)

Name	Title	Director Address
Nick Pignotti	Secretary	NICK PIGNOTTI 1083 PONDEROSA RD SAGLE, ID 83860
John Kuba	Treasurer	JOHN KUBA 1083 PONDEROSA RD SAGLE, ID 83860
Cody Freer	Vice President	CODY FREER 1083 PONDEROSA RD SAGLE, ID 83860
Stephani Blackburn	President	STEPHANI BLACKBURN 1083 PONDEROSA RD SAGLE, ID 83860

The Articles of Incorporation must be signed by at least one Incorporator.

Stephani Blackburn

Stephani Blackburn

01/07/2025

Date

Ponderosa Estates Water Company (Farko Water Company) PTE-W-24-01

A customer meeting was held from 5:00 to 7:00 pm on 3/26/2024 at the Sagle, Idaho Senior Center.

There was strong attendance including representatives from the Idaho Public Utilities commission (IPUC), the Idaho Rural Water Association (IRWA), the Idaho Department of environmental Quality (IDEQ), as well as approximately 36 people in person and six people attending online, that represented community households on Farko Water.

The intent of this meeting was for the Company to answer questions of the attendees, determine if the community wanted to proceed in taking over management of the Farko water system and if so, elect a new board.

The following are generalized questions asked by customers of the Company:

- Question regarding road maintenance and if the water company would continue in that role. Answer: Farko explained that road maintenance has always been separate from the water company and that road maintenance would be at the discretion of the homeowners and not part of the water company.
- Customer (Cody Freer) spoke about what he would like to see regarding the water company. Cody was concerned about the water quality, as he has small children and is willing to step up and either own the system or be a board member to assure his family receives clean, reliable water.
- Dion Holton, Water Circuit Rider for Northern Idaho, representing the IRWA introduced his organization and briefly described what the organization does in support of small water systems.
- Larry Fairfax with Farko Water stated that he has been working with two people, training them to operate the system and providing training in an effort for the individuals to take the State of Idaho Water Operators test in furtherance of obtaining their license/certification.
- There was a question about ownership of the system as they had heard multiple stories and wanted to be assured that if the customers took over the system, that they would own it and not another unknown entity. Larry Fairfax gave a short history of the ownership of the company and stated that he was the owner of the system and no one else has a claim to the system except the homeowners as a group.
- There was a question regarding different options for ownership of the system. A conversation between Mr. Fairfax and the customers in which several options were presented. These options included one or more people taking over the system; keeping the existing structure and electing a new board of directors and to have the board and customers cooperatively operate the system; and selling the system to a third party, in which the customers would have little to no control.
- There were questions from customers regarding grants and loans available to Farko Water. Mr. Holton with IRWA described the different programs that may be available to the company. These programs were generally provided through the United States

Department of Agriculture (USDA) through their Water & Environmental Grant and Loan funding program. This program assists rural communities obtain the technical assistance and financing necessary to develop and upgrade drinking water and waste disposal systems. Mr. Fairfax stated that he had also been working with DEQ regarding a grant, but he was unsure of the status of the grant.

- There was also a question regarding how many hookups were currently on the system. Mr. Fairfax responded that there were approximately 48 active users.

The consensus from the customers was that placing a new management board in Farko Water would be in the customers' best interest to maintain the existing non-profit entity.

Several customers volunteered for each board position and were then voted onto the board.

The new board of directors are as follows:

Chairman: Cody Freer

Co-Chairman: John Kuba

Secretary: Stephani Blackburn

Co-Secretary: Nick Pignotti

Treasurer: Brenny Ross

Board Member: Marte Cellura

Board Member: Daniel Valdez

Support from the (IRWA) was offered to assist and to provide training to the new board. Additionally, there were 6 individuals identified to become licensed operators to work on the water system to ensure a seamless transition and to provide the community with safe and clean water.

It should be noted that everything will continue to be business as usual as the new board is brought on board and any future changes will be voted on by the water customer members.

Farko Water

BOARD MEETING 04/24

22 APRIL 2024 / 5:00 PM / SILVER REEF RD, SAGLE, ID

ATTENDEES Present Cody Freer, John Kuba, Stephani Blackburn, Nick Pignotti, Brenny Ross, Marte Cellura, Absent Daniel Valdez Guests N/A

ORDER OF BUSINESS

Unfinished Business

1. N/A

New Business

- Top priority is risk liability mitigation (do not sign bylaws until new ones are ready to be immediately signed into effect, add clause about liability, board members covered by insurance)
- Review and revise bylaws
- IRWA will provide instruction to properly set up the new Nonprofit (new name, EIN, recorded with the Idaho Secretary of State, Federal taxes, IPUC, Title Companies)
- 3 in favor of new nonprofit name: Cedar Springs Community Water
- Bank account benefits to be discussed:
 - Quickbooks online banking
 - Mountain West
 - P1FCU
- Structure of meetings moving forward: board members will present agenda items, to be added they will require someone second adding to ~~the~~

Action Items

1. Board members will review and add comments to Bylaws prior to submitting to IRWA legal council to finalize new bylaws.
2. Nonprofit will be set up properly with guidance from IRWA.
3. Vote on which bank to open with

CLOSING

We will hold the next board meeting on: 5/20/24 at 5:00pm on Pristine View Dr., Sagle, ID

The meeting ended at: 6:37pm

	<u>Title</u>	<u>Printed Name</u>
1	Chair	Cody Freer
2	Secretary	Stephani Blackburn

Signature

The block contains two handwritten signatures. The first signature is for Cody Freer, written in dark ink. The second signature is for Stephani Blackburn, also in dark ink, and is written below the first signature.

**IDAHO DEPARTMENT OF WATER RESOURCES
APPLICATION FOR TRANSFER OF WATER RIGHT
PART 2A**

Current Water Right No.: 96-7515

Current Owner: FARKO WATER SYSTEMS LLC

Priority Date: 3/21/1977

Origin: Adjudication Claim

Status: Active

Basis: License

Source

Tributary

GROUND WATER

Beneficial Use

From To

Diversion Rate

Annual Volume

MUNICIPAL	01/01 to 12/31
	<u>Total Diversion</u>

0.3 CFS	58.2 AF
0.3 CFS	58.2 AF

Location of Point(s) of Diversion

GROUND WATER
BONNER County

SE1/4NW1/4 Sec. 5, Twp 55N, Rge 01W B.M.

Place of Use

MUNICIPAL Within BONNER County

T55N R01W S5	NENW	T55N R01W S5	NWNW
T55N R01W S5	SWNW	T55N R01W S5	SENW
T55N R01W S5 Lot 3	NESW	T55N R01W S5	NWSW
T55N R01W S5 Lot 5	NWSW	T55N R01W S6	NENE
T55N R01W S6	SENE	T55N R01W S6 Lot 5	NESE

Conditions of Approval:

1. Domestic use is for 89 homes.