



NEW APPLICATION

0000039755

Dolan Springs Water Co. Inc.

P.O. BOX 368 DOLAN



SPRINGS, AZ 85642

RECEIVED

2001 JUL 21 A 9:37

PH (602) 767-3713

AZ CORP COMMISSION
DOCUMENT CONTROL

July 9, 2001

W-02105A-01-0557
W-01977A-01-0557

Docket Control
Arizona Corporation Commission
1200 W. Washington St
Phoenix, AZ 85007

Attached is an application by Dolan Springs Water Co., Inc. for transfer of Certificate of Convenience and Necessity. The purpose of this application is to transfer our Certificate of Convenience and Necessity to Mt. Tipton Water Co., Inc. as a condition of sales contract, copy attached.

Sincerely,

Jimmy D. Hamm
President

ARIZONA CORPORATION COMMISSION
APPLICATION FOR APPROVAL OF THE SALE OF ASSETS AND/OR TRANSFER OF
CERTIFICATE OF CONVENIENCE AND NECESSITY

WATER AND/OR SEWER

A. The name, address and telephone number of the Transferor (Company) is:

DOLAN SPRINGS WATER CO., INC.
PO BOX 368
DOLAN SPRINGS, AZ 86441 PH 928-767-3713

B. If doing business under a name other than the Transferor (Company) name, specify:

N/A

C. The Transferor is a:

<input checked="" type="checkbox"/> Corporation: ___ "C", <input checked="" type="checkbox"/> "S", ___ Non-Profit <input checked="" type="checkbox"/> Arizona, ___ Foreign	___ Partnership ___ Limited, ___ General ___ Arizona, ___ Foreign
___ Sole Proprietorship	___ Limited Liability Company
___ Other (Specify)	

D. List the name, address and telephone number of the attorney for the Transferor.

N/A

E. List the name, address and telephone number of management contact:

Jim Hamm

PO Box 368

Dolan Springs, AZ 86441

PH 928-767-3713

F. The name, address and telephone number of the Transferee (Company) is:

Mt. Tipton Water Co., Inc.

PH 928-767-3298

15996 Ironwood Dr, PO Box 38

Dolan Springs, AZ 86441

G. If doing business under a name other than the Transferee (Company) name, specify:

N/A

H. List the name, address and telephone number of the attorney for the Transferee.

Jeff Goldberg/ Bruno, Brooks & Goldberg

730 East Beale St

Kingman, AZ 86401

PH 928-753-6115

I. List the name, address and telephone number of management contact:

Claude L. Myers

PH 928-767-3298

Mt. Tipton Water Co., Inc.

PO Box 38, Dolan Springs, AZ 86441

J. (Transferee) List the name, address and telephone number of the on-site manager of the utility:

Claude L. Myers

PH 928-767-3298

2. Indicate the number of shares of stock authorized to issue:

N/A

3. If stock has been issued, indicate the number of shares issued and the date of issue:

N/A

N. If Transferee is a partnership:

N/A

1. List the names of general partners:

N/A

2. List name, address and telephone number of managing partner:

N/A

◆ If Applicant is a foreign limited partnership, provide a copy of the Partnership's "Certificate of Registration" with the Arizona Secretary of State N/A

O. If Transferee is a sole proprietor, list name, address and telephone number of individual:

N/A

P. Have all customer security deposits been refunded? Yes ___ No X. If no, mark the block below which describes the proposed disposition of security deposits.

All security deposits will be refunded at time of closing.

All security deposits will be transferred to the Transferee.

Other (explain).

Transferee will assume the refunding obligations

Q. Are there any refunds due on Main Extension Agreements? Yes ___ No X. If Yes, mark the block below which describes the proposed disposition of the refunds.

Transferor will continue to refund after the transfer.

Transferee will assume the refunding obligations.

A full refund will be made at closing by Transferor.

Other (explain).

R. (WATER ONLY) Are there any refunds due on meter and service line installations?

Yes X No ___ . If Yes, mark the block below that describes the proposed disposition of refunds.

Transferor will continue to refund after the transfer.

Transferee will assume the refunding obligations.

A full refund will be made at closing by Transferor.

Other (explain).

DATED the 9 day of July, 2001

Jimmy D. Hamm

(Signature of Authorized Representative of Transferor)

Jimmy D. Hamm

(Type Name Here)

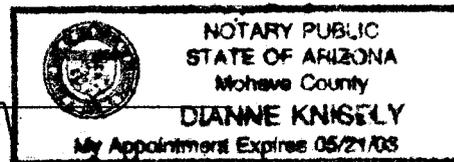
President

(Title)

SUBSCRIBED AND SWORN to before me on this 9 day of July 2001

Dianne Knisely

NOTARY PUBLIC



My Commission Expires 21 May 2003

Herman Jackowiak

(Signature of Authorized Representative of Transferee)

Herman Jackowiak

(Type Name Here)

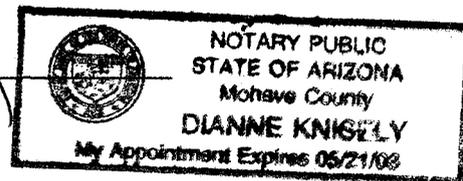
Secretary/Treasurer

(Title)

SUBSCRIBED AND SWORN to before me on this 9 day of July 2001

Dianne Knisely

NOTARY PUBLIC



My Commission Expires 21 May 2003

ATTACHMENT B

PUBLIC NOTICE OF AN APPLICATION FOR TRANSFER OF
CERTIFICATE OF CONVENIENCE AND NECESSITY

by DOLAN SPRINGS WATER CO., INC.

Dolan Springs Water Co., Inc. has filed with the Arizona Corporation Commission ("Commission") an application for authority to transfer its' Certificate of Convenience and Necessity to provide water service to Mt. Tipton Water Co., Inc. If the application is granted, Mt. Tipton Water Co., Inc. would be the exclusive provider of water service to your area. Mt. Tipton Water Co., Inc. is under the jurisdiction of the Commission.

If you have any claims against Dolan Springs Water Co., Inc., including claims for refunds of security deposits, service line and meter installation, or main extension agreements and you have not already been contacted by the Company, you must present your claim to Dolan Springs Water Co., Inc. on or before 27 July, 2001. Direct your claims(s) to Dolan Springs Water Co., PO Box 368, Dolan Springs, AZ 86441, 520-767-3713.

The Commission will hold a hearing on this matter. As a property owner or customer you may have the right to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. You may not receive any further notice of the proceeding unless requested by you.

If you have any questions or concerns about this application, have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1 800 222-7000.

Dolan Springs Water Co. Inc.

P.O. BOX 368 DOLAN

SPRINGS, AZ 86441

PH (602) 767-3713

9 July 2001

Mohave County Board of Supervisors
PO Box 7000
Kingman, AZ 86402

Re: Transfer of Franchise

Dear Sirs:

In conjunction with an application to the Arizona Corporation Commission for transfer of our Certificate of Convenience and Necessity, we hereby request transfer of our Mohave County franchise to operate a water company to Mt. Tipton Water Co., Inc.

Sincerely,



Jimmy D. Hamm
President

2. **ATTORNEY FEES:** In the event of a breach of this Contract by either party, the offended party may either elect to cancel this Contract by serving a Ten (10) day written notice upon the offending party to cure the alleged breach, or pursue those remedies available in a Court of Law, including, but not limited to, an order requiring the specific performance of the contract terms by the offending party, in addition to all Court costs and reasonable attorney fees.
3. **SAVINGS CLAUSE:** In the event any provision of this Contract should be held invalid, such invalidity shall not affect the remaining provisions hereof, it being the intent of the parties that each of the provisions and covenants shall be independent of each of the others so that all valid provisions shall be strictly enforced, irrespective of the invalidity of any other provision.

IN WITNESS WHEREOF, the parties have executed this Contract this 5 day of July, 19 2001.

William Rodgers
 William Rodgers First Party, President
Herman Jackowiak
 Herman Jackowiak First Party, Sec/Treas

Jimmy D. Hamm
 Jimmy D. Hamm Second Party
Margaret M. Hamm
 Margaret M. Hamm Second Party

State of ARIZONA)
)
 County of MOHAVE)

ss. **ACKNOWLEDGMENT**

On this 5th day of July, 2001, before me, the undersigned Notary Public, personally appeared, William Rodgers and Herman Jackowiak, as President and Secretary/Treasurer of Mount Tipton Water Co., Inc.

to me known to be the individual(s) described in and who executed the foregoing instrument and acknowledged that he (she) (they) executed the same for the purposes therein contained.

My Commission Expires: April 23, 2003

Geraldine Cobb
 Notary Public
 OFFICIAL SEAL
GERALDINE COBB
 Notary Public - State of Arizona
 MOHAVE COUNTY
 My Comm. Expires April 23, 2003

State of ARIZONA)
)
 County of MOHAVE)

ss. **ACKNOWLEDGMENT**

On this 5th day of July, 2001, before me, the undersigned Notary Public, personally appeared, Jimmy D. Hamm and Margaret M. Hamm

to me known to be the individual(s) described in and who executed the foregoing instrument and acknowledged that he (she) (they) executed the same for the purposes therein contained.

My Commission Expires: April 23, 2003

Geraldine Cobb
 Notary Public
 OFFICIAL SEAL
GERALDINE COBB
 Notary Public - State of Arizona
 MOHAVE COUNTY
 My Comm. Expires April 23, 2003

Concur: Victor Nicholson
 Peter Homer
 Floyd Nash
 John Mershon Sr
 David Estenson

Victor Nicholson, Director
Peter Homer, Director
Floyd Nash, Vice-President
John Mershon Sr, Director
David Estenson, Director

P 8 5-1

When recorded, mail to:

Name: _____

Address: _____

City/State/Zip Code: _____

Space above this line for Recorder's use

CONTRACT

and
AGREEMENT OF SALE

THIS CONTRACT, made and entered into this 5 day of July, 19 2001, by and between Mount Tipton Water Co., Inc, an Arizona non-profit corporation

the First party, and Jimmy D. and Margaret M. Hamm, husband and wife

the Second party:

WITNESSETH: That the First Party agrees to pay to the Second Party the sum of Six Hundred Fifty Thousand and no/100 Dollars (\$650,000.00), and the

Second Party agrees as follows: As 100% shareholders of the Dolan Springs Water Co., Inc, an Arizona corporation, the Second Party agrees to sell all stock of the Dolan Springs Water Co., Inc with accompanying deeds, Certificate of Need and Necessity and Mohave County franchise to the First Party. The Second Party also sells property being 107+ acres (parcel 328-07-027), office/home complex with driveway (parcel 319-20-110A and parking lot (parcel 319-20-108C) to the First Party. //

THE PARTIES FURTHER COVENANT AND AGREE AS FOLLOWS:

1. All assets/properties are being sold and accepted in "As Is" condition. First Party agrees to pay all closing costs involved in the sale with the exception of property tax on parcels 328-07-027, 319-20-110A and 319-20-108C which will be prorated to date of sale. Second Party will pay prorated taxes with their personal check. All records, bank account, assets and liabilities of the Dolan Springs Water Co., Inc will be transferred to Mount Tipton Water Co., Inc. upon receipt of payment in full. //

78 5-2
STATE OF ARIZONA

Corporation Commission



Hall to Whom these Presents shall Come, Greeting:

I, ~~WILLIAM R. JOHNSON~~, ~~SECRETARY OF THE ARIZONA CORPORATION COMMISSION~~, DO HEREBY CERTIFY THAT APPOINTMENT of H. Louis Hiser, 305 Oak Street, Kingman, Arizona, as STATUTORY AGENT for MT. TIPTON WATER COMPANY, INC., was filed in the Office of the Arizona Corporation Commission on the 4th day of May 1970. He is presently serving as STATUTORY AGENT.

IN WITNESS WHEREOF, I HAVE HERETO
SET MY HAND AND AFFIXED THE OFFICIAL SEAL
OF THE ARIZONA CORPORATION COMMISSION, AT
THE CAPITOL, IN THE CITY OF PHOENIX, THIS 7th
DAY OF June A. D. 1971.

William R. Johnson
BY SECRETARY,

ARRIVANT SECRETARY

2140. 0011

ARIZONA CORPORATION COMMISSION

Incorporating Department

FILE No. 72281

RECEIPT NO. **2155**

PHOENIX, 5/15/68

RECEIVED FROM Matton and Harries

TO BEING: Mt. Dister Water Company, Inc.

Articles of Incorporation	10	—
For Copies of Articles		
For Copies of Amendments		
Amendments to Articles of Incorporation		
For Issuing Certificate of Compliance		
Revocation and Appointment of Agent		
Appointment of Agent	5	—
Resignation of Statutory Agent		
For Issuing Certificate of Incorporation		
Annual Registration and Report Fees	10	—
Penalties		
For Issuing Foreign License		
Affixing Seal and Certification to Copy		
Resolution of Renewal of Corporation Existence	2	—
Resolution of Dissolution or Withdrawal		
Acceptance of Service of Process		
Checking Corporate Records for Inquiry		
Reserving Corporate Name		
Miscellaneous		

Received Payment,

\$ 27 —

Check No. 1286
Bank No. 91-119
Cash

ARIZONA CORPORATION COMMISSION
By Annal Procter Clerk

STATE OF ARIZONA

Corporation Commission



To all to Whom these Presents shall Come, Greeting:

I, GEORGE S. LIVERMORE, SECRETARY OF THE ARIZONA CORPORATION COMMISSION, DO HEREBY CERTIFY THAT the Annexed is a true and complete copy of the ARTICLES OF INCORPORATION of

MT. TIPTON WATER COMPANY, INC.

which were filed in the office of the Arizona Corporation Commission on the 15th day of May, 1968 as provided by law.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 15th DAY OF May, A. D. 1968.

George S. Livermore
BY _____ SECRETARY.

ASSISTANT SECRETARY

ARTICLES OF INCORPORATION

OF

MT. TIPTON WATER COMPANY, INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, have associated ourselves together and affixed our names and addresses hereto for the purpose of forming a non-profit corporation under and pursuant to the laws of the State of Arizona, and for that purpose do adopt the following Articles of Incorporation:

ARTICLE I

The name of this corporation shall be:

MT. TIPTON WATER COMPANY, INC.

ARTICLE II

The principal place of business shall be Lake Mohave Ranchos, County of Mohave, State of Arizona.

ARTICLE III

The purposes and objects and the general nature of the business to be transacted shall be as follows:

(a) To do everything requisite to establishing and operating water distribution systems including but not limited to the location and development of water supply or supplies, the construction and installation of a water distribution system, the securing of permits and easements, the maintenance and improvement of all facilities related thereto, the acquisition and holding of franchises and certificates therefor, and the sale of water.

(b) To enter into, make and form contracts of every kind and description made for any lawful purpose, with any person, firm or corporation, either public or private, or with any government or agency thereof.

(c) To take, acquire and possess, in the name of the corporation, by gift, devise, bequest, purchase, lease, or otherwise, real and personal property of every kind; to sell, lease, or otherwise dispose of said property or any part thereof; to borrow money for any of the approved purposes of the corporation, to draw, make, execute and issue promissory notes or other instruments of indebtedness, and secure the same by mortgage, pledge or assignment of any or all of its property or assets, or by other methods; and to do any and all things necessary or incident to carrying out the objects and purposes of this corporation.

(d) To participate or engage in, or to institute and carry out, any project or program deemed beneficial or desirable for the corporation or its membership which an individual or individuals could or might do under the laws of the State of Arizona.

The foregoing clauses are to be construed as both objects and powers, and it is hereby expressly provided that the enumeration herein of specific powers and objects shall not be construed to restrict in any manner the general powers of this corporation.

ARTICLE IV

Commencement of this corporation shall be the date of issuance to it of a Certificate of Incorporation by the Arizona Corporation Commission, and it shall endure for a term of twenty-five (25) years thereafter, with privilege of renewal as provided by law.

ARTICLE V

This corporation shall be at all times a non-profit corporation and shall admit as members all persons who qualify for membership in accordance with such bylaws as may be adopted by the corporation; however, membership shall not be restricted by reason of race, creed, color, or national origin of any person seeking membership.

ARTICLE VI

The affairs of the corporation shall be conducted by a board of not less than three (3) not more than twenty-five (25) directors to be elected by and from the membership at the annual meeting of the corporation to be held on the first Sunday of May in each year, commencing in 1969, at 12:00 noon, and when so elected the said directors shall serve until their successors are elected and qualified. Until the first annual meeting of the membership the following named persons, who were elected at a meeting held on Saturday, May 4, 1968, at 7:30 p.m., at Dolan Springs, Mohave County, Arizona, shall constitute the initial Board of Directors: Carl Eaton, Bud Hovy, Joe Blake and Thor Myron.

ARTICLE VII

The officers of this corporation shall be a President, one or more Vice Presidents, a Secretary and a Treasurer. The Board of Directors may create such other subordinate offices as they deem necessary. All officers shall be elected or appointed by the Board of Directors to hold office for such period of time as may be fixed by the bylaws or by resolution of the Board of Directors. Any two of the above enumerated offices may be held by one and the same person except the offices of President and Secretary. Until the first such meeting and until their successors are elected and qualify, the following named persons shall be officers of this corporation: Joe Blake, President; Bud Hovy, Secretary and Treasurer.
Vice Pres.
THOR MYRON

ARTICLE VIII

The private property of each and every member, director and officer of this corporation shall be forever exempt from the debts and obligations of this corporation.

ARTICLE IX

Pecuniary profit shall not be considered an object of this corporation and no profit thereof shall inure to the benefit of any member; provided, however, the corporation may expend funds for reasonable and necessary administrative expense.

ARTICLE X

The highest amount of indebtedness or liability, direct or contingent, to which the corporation is at any time to subject itself shall be Five Hundred Thousand Dollars.

ARTICLE XI

In no event shall the assets of this corporation, or the value thereof, be distributed to the members, and, in the case of dissolution or total inactivity, the assets shall be distributed to such other non profit corporation as will, as nearly as practicable, utilize the same for the objects and purposes for which this corporation was formed.

ARTICLE XII

This corporation does hereby appoint ROBERT JOHN WALTON, whose address is Suite 610 Arizona Land Title Building, 2200 North Central Avenue, Phoenix, Arizona and who has been a bonafide resident of Arizona for at least three (3) years, its statutory agent in and for the State of Arizona, for and on behalf of said corporation to accept and acknowledge service of, and upon whom may be served, process in any action or proceeding that may be brought against this corporation in any of the Courts of the State of Arizona, such service of process or the acceptance thereof by said Agent endorsed thereon, to have the same force and effect as if served upon the president and secretary of the corporation. This appointment may be revoked at any time by the filing of an appointment of a successor agent.

IN WITNESS WHEREOF, we the undersigned have hereunto set our hands this

27th day of April, 1968.

1. Ray L. Palk
P.O. Box 75 Dolan Springs
2. James W. Elmer
BOX 216 Dolan Springs
3. Edna E. Johnson
P.O. Box 86 Dolan Springs
4. Wm. J. Johnson
J.M. CRT Box 817
5. Robert A. Nelson
P.O. Box 113
6. Walter Wood
P.O. Box 55 Dolan Springs
7. Edwin R. Hadger
Box 857 P.O. Dolan Springs
8. Mrs. A. W. Kraft
L.I.S.P. P.O. 211
9. Louis S. Shuck
Box 125 Dolan Springs
10. May W. Roberts
P.O. Box 27 Dolan Springs
11. Samuel J. D. Rosen
Box 205 Dolan Springs
12. Alan Chapman
Box 103 Dolan Springs
13. Betha B. Brown
Dolan Springs
14. Harriet Williams
P.O. Dolan Springs
15. Ma. M. W. of Parker
Box 13 Dolan Springs
16. Paul A. Gray
5510 Monroe St. Mendocino Calif
17. Ronald Goodwin
General Del. Dolan Springs
18. R. A. Burns
125 S. Arch St. Mendocino Calif
19. Miss Cecil C. White
Box 27 Dolan Springs
20. F. E. Straley
P.O. - 31st St Box 816
21. Lacey M. H. Hart
P.O. Box 116 Dolan Springs
22. Royd P. Starr
P.O. Box 6 Dolan Springs
23. Al. H. Johnson
P.O. Box 182 Dolan Springs
24. Herb P. Straley
Box 175 Dolan Springs
25. C. Cavannaugh
14th & Colilla Dolan Springs
26. NEWELL HARMON
BOX 130 DOLAN SPRINGS ARIZONA
27. Mrs. + Mrs. Ned J. Talbot
Box 92 Dolan Springs
28. Ruby Rivers
Box 862 Dolan Springs
29. Arthur Anderson
P.O. Box 22 Dolan Springs
30. Sam. P. Hamilton
P.O. Box 134 Dolan Springs

- | | |
|---|--|
| 29. <u>W. W. Williams</u>
P.O. S. POKON-SPRING | 30. <u>Charles H. St. Mary</u>
P.O. Box 1310, Pokon Springs, Ark. |
| 31. <u>John E. Daniels</u>
P.O. Box 24, Dolan Springs | 32. <u>Louise McLaughlin</u>
Box 54, Pokon Springs |
| 33. <u>Cecil K. Starnes</u>
P.O. Box 115, Dolan Springs | 34. <u>Earlyn Pardee</u>
P.O. Box 25, Dolan Springs |
| 35. <u>W. W. Williams</u>
P.O. Box 194, Dolan Springs | 36. <u>Louise Loner</u>
P.O. Box 194, Dolan Springs |
| 37. <u>Alford E. Redman</u>
Box 173, Dolan Springs | 38. <u>Ben T. Vaughan</u>
E. J. Rt. Box 8, Dolan |
| 39. <u>Wm. C. Lawrence</u>
Box 87, Dolan Springs | 40. <u>Lee Clark</u>
P.O. Box 33, Dolan Springs |
| 41. <u>Bulah Harris</u>
P.O. Box 17, Dolan Springs | 42. <u>Lottie Beylles</u>
Box 4, Dolan Springs |
| 43. <u>Ed & Kingman</u>
P.O. Box 17, Dolan Springs | 44. <u>Josephine Gozgo</u>
Box 816, San Vancaster Rt. Kingman |
| 45. <u>Miss Gertrude Hainington</u>
Box 139, Dolan Springs | 46. <u>Helen S. Hamblin</u>
Box 122, Dolan Springs, Ark. |
| 47. <u>Tracy A. Grubbs</u>
Box 34, Dolan Springs | 48. <u>Carl Mowbray</u>
Box 57, Dolan Springs |
| 49. <u>Arthur E. Bader</u>
P.O. Box 88, Dolan Springs | 50. <u>Ed. Wray</u>
Box 26, Dolan Springs |
| 51. <u>Joe Smith</u>
Box 26, Dolan Springs | 52. <u>W. G. Wilde</u>
Box 124, Dolan Springs |
| 53. <u>B. B. Purdie</u>
Dolan Springs | 53. <u>Wm. C. Lawrence</u>
P.O. Box 193, Dolan Springs |

STATE OF ARIZONA)
County of Maricopa)^{ss:}

On this 4th day of May, 1968, before me, the undersigned officer,
personally appeared Ray L. Polk, Sr., Leon M. Gordon, Helen E. Ashmun,
Clyde Barnes, Albert G. Nulsen, Walter L. Wood, Edwin L. Hodges, Mrs. K.L.
Scott, Louis Skolnick, Mrs. William C. Roberts, Daniel J. Drozen, Glen Chapin,
Bitha Brown, Homer H. ^{WILSON} ~~Mitchell~~, Mr. William S. Decker, Paul A. Perry, Donald
Goodman, R. D. Burns, Mrs. Cecil C. White, C. C. Straley, Lucy M. Gilbert,
Lloyd P. Starr, Thor My ^{RON} ~~grave~~, A. L. Dickenson, Hoke P. Stradley, J. C. Cavanaugh,
Newell Harmon, Mr. Karl J. Fabo, Rudy ^{RIMER} ~~River~~, Curtis Brown, R. L. Harrington,
M. M. Willaims, Andrew G. Merry, John E. Donahue, Louis McLaughlin, Cecil
I. Starkey, Evelyn Pardue, D. A. Hack ^{ORTH} ~~wright~~, Lorena Loner, Alfred E. Redman,
Ben V. Vaughan, Nona F. Chronister, Lee Cobb, ~~Sallah~~ Harris, Lottie Szeyller,
Josephine Gozzo, Mrs. Gertrude Harrington, Helen S. Hamblin, Tracey A. Grubbs,
Carl Mourer, Arthur E. Baker, C. F. Hovy, Joe Comstock, W. G. Wilde, Ben Pardue, and
Ruth O. Morgan, known to me to be the person whose names and address are subscribed
to the within instrument, and acknowledged that they executed the same for the purposes
therein contained.

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


Notary Public

My commission Expires:

My Commission Expires Oct. 3, 1971



JUN 29 1995

ARIZONA CORPORATION COMMISSION

AND WEISSBERG, P.C.

DATE: 6-26-95

TO WHOM IT MAY CONCERN:

THIS LETTER CONCERNS THE DOCUMENT CHECKED BELOW, WHICH HAS BEEN APPROVED FOR FILING WITH THE CORPORATIONS DIVISION OF THE ARIZONA CORPORATION COMMISSION.

- (X) AMENDMENT
- () MERGER
- () NEW AUTHORITY
- () INTENT TO DISSOLVE (NONPROFIT)

This document must be published for three (3) consecutive publications, within sixty (60) days of the filing date--in a newspaper of general circulation in the Arizona County of the known place of business of the corporation. The Affidavit of Publication must then be returned to this office within thirty (30) days of the last day of publication.

- () RESTATEMENT OF INFORMATION
- () INTENT TO DISSOLVE (PROFIT)

This document must be published for three (3) consecutive publications within thirty (30) days of the filing date in a newspaper of general circulation in the Arizona County of the known place of business. The Affidavit of Publication must then be returned to this office within fifteen (15) days for the INTENT TO DISSOLVE and RESTATEMENT OF INFORMATION, of the last day of publication.

If you have questions, you may contact us at our Phoenix Office. Hours are 8:00 a.m. - 5:00 p.m., weekdays, (602) 542-3135.

Very truly yours,

JL McCreary
Examiner Technician
Corporations Division
Arizona Corporation Commission

PUBLICATION MUST BE IN
Mohave **COUNTY**

INC:0019
Rev.11/94

AN. CORP. COMMISSION
FOR THE STATE OF MT.
FILED

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF

JUN 21 1 55 PM '95
APPR. *F. H. McClellan*
FILED *APR 26 1995*
DATE _____ TIME _____

MT. TIPTON WATER COMPANY, INC. 0073289-1

Pursuant to the provisions of A.R.S. §10-1035, the undersigned corporation adopts the following articles of Amendment to its Articles of Incorporation.

ARTICLE I

The name of the corporation is:

MT. TIPTON WATER COMPANY, INC.

ARTICLE II

Article IV of the Articles of Incorporation is hereby amended to read as follows:

The duration of the corporation shall be perpetual.

ARTICLE III

Article VI of the Articles of Incorporation is hereby amended to read as follows:

The affairs of the Corporation shall be conducted by a Board of Directors, the size of which shall be as set forth in the Corporation's Bylaws. The Board shall be elected by and from the membership at the annual meeting of the Corporation to be held on the second Friday of October in each year at 7:00 p.m., or such other time and date as determined by the Board of Directors.

LAW OFFICES OF
BRUNO, BROOKS & GOLDBERG, P.C.
730 EAST BEALE STREET
KINGMAN, ARIZONA 86401

LEE E. BRUNO
ROBERT H. BROOKS
JEFFREY A. GOLDBERG

(520) 753-6115
FAX (520) 753-7991

May 31, 1995

Beth Raduenz, General Manager
MT. TIPTON WATER COMPANY, INC.
P.O. Box 153
Dolan Springs, AZ 86441

RE: Amendment to Articles of Incorporation

Dear Beth:

Enclosed are the following documents:

1. Notice of Special Meeting of Board of Directors of Mt. Tipton Water Company, Inc. ("Mt. Tipton");
2. Notice of Special Meeting of Members of Mt. Tipton;
3. Minutes of Special Meeting of Directors of Mt. Tipton;
4. Proxy for Specific Action; and,
5. Articles of Amendment to Articles of Incorporation.

The Special Meeting of the Board of Directors can be held in conjunction with your regular meeting next Thursday. You should deliver a Notice to each Board Member prior to the

Raduenz
May 31, 1995
Page 2

meeting with a copy of the Articles of Amendment attached, to give the Board time to review the Articles and let us know of any changes that are necessary.

If you are fairly certain that the Directors will vote in favor of the Amendments, you may proceed with noticing the Special Meeting of the members of the corporation. A copy of the Articles of Amendment and Proxy should be attached to the Notice of the Special Meeting. Pursuant to Article III, Section 3 of the Bylaws, you must provide at least ten (10) days notice of the Special Meeting to the members. Consequently, I would recommend sending out these notices immediately. Please note that you will need to fill in the time and date of the Directors' and Members' meetings in the respective notices.

If the Articles are approved by the Board and the members, please sign the original and duplicate original Articles of Amendment and return them to me as soon as possible.

If you have any questions regarding the Amendments, please call me.

Sincerely,

BRUNO, BROOKS & GOLDBERG, P.C.



Jeffrey A. Goldberg

JAG/csl

Enclosures



June 19, 1995

Jeffrey A. Goldberg
730 E. Beale St.
Kingman, AZ 86401

RE: Amendment to Articles of Incorporation

Dear Jeff;

Enclosed please find the Articles of Incorporation that have been approved by the Board of Directors and the Members of the Mt. Tipton Water Co., Inc.

At the Special Meeting of the Membership on June 16, 1995, 30 members were present, and 107 proxies were sent in for Mohave County for a quorm. The President, L. Raduenz also ask for a motion from the floor to continue with the meeting for the purpose of amending the Articles of Corporation to cover both ends. The motion was made and seconded, with voice vote approval.

The Articles were voted in by majority vote, with:

6 votes against all articles.
4 votes against #1
4 votes against #2
30 votes against #3.

We needed 132 proxies and votes from Mohave County for a quorm, which we got, and 202 votes and proxies for over all. Altogether we have 396 members.

If you need anything else just let me know.

Sincerely,

Beth Raduenz
General Manager



P. O. BOX 153, DOLAN SPRINGS, AZ. 86441 PH. (602) 767-3298

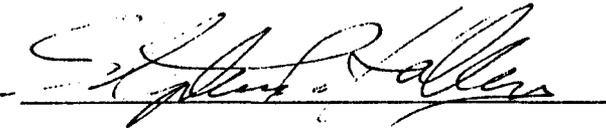
NOTICE OF SPECIAL
MEETING OF BOARD OF DIRECTORS OF
MT. TIPTON WATER COMPANY, INC.

Notice is hereby given that a Special Meeting of the Board of Directors of MT. TIPTON WATER COMPANY, INC., an Arizona corporation, will be held at Mt. Tipton Water Co., Office Dolan Springs, Arizona, at 6:30, p.m., on June 05, 1995, for the purpose of considering for recommendation to the Members the Amendments to the Articles of Incorporation of the corporation set forth in the Articles of Amendment attached hereto as Exhibit "A" and incorporated herein.

DATED this 2nd day of June, 1995.



President



Secretary

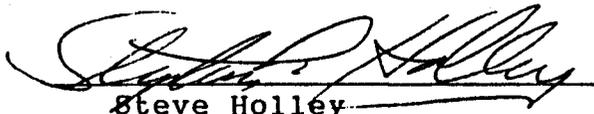
to the Notice of such meeting as set forth
on the attached Exhibit "B".

There being no further business to come before the
meeting, the same was, upon motion duly made and seconded,
adjourned.

MT. TIPTON WATER COMPANY, INC.


LaVern L. Raduenz
President

ATTEST:


Steve Holley
Secretary

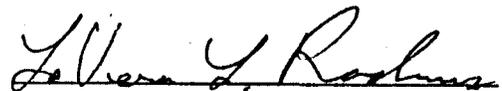
NOTICE OF SPECIAL
MEETING OF MEMBERS OF
MT. TIPTON WATER COMPANY, INC.

Notice is hereby given that a Special Meeting of the members of MT. TIPTON WATER COMPANY, INC., an Arizona corporation, will be held at VFW Hall 9833, Dolan Springs, Arizona, at 6:30, p.m., on June 16, 1995, for the purpose of considering and voting on the proposed Amendments to the Articles of Incorporation of the corporation attached hereto as Exhibit "A". Said Amendments have been approved by the Board of Directors of the corporation.

Members may vote upon said Amendments by completing and signing the Proxy attached hereto and returning the same to the corporate offices prior to the Special Meeting referenced above.

Update on the Mt. Tipton Water Co., Inc. for the past eight months will be given. There will be no drinking or smoking allowed in the meeting.

DATED this 6 day of June, 1995.



President



Secretary

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF

MT. TIPTON WATER COMPANY, INC.

Pursuant to the provisions of A.R.S. §10-1035, the undersigned corporation adopts the following articles of Amendment to its Articles of Incorporation.

ARTICLE I

The name of the corporation is:

MT. TIPTON WATER COMPANY, INC.

ARTICLE II

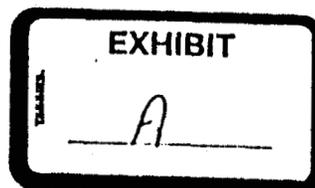
Article IV of the Articles of Incorporation is hereby amended to read as follows:

The duration of the corporation shall be perpetual.

ARTICLE III

Article VI of the Articles of Incorporation is hereby amended to read as follows:

The affairs of the Corporation shall be conducted by a Board of Directors, the size of which shall be as set forth in the Corporation's Bylaws. The Board shall be elected by and from the membership at the annual meeting of the Corporation to be held on the second Friday of October in each year at 7:00 p.m., or such other time and date as determined by the Board of Directors.



PROXY FOR SPECIFIC ACTION

The undersigned, a member of Mt. Tipton Water Company, Inc., an Arizona non-profit corporation, hereby appoints L. L. Raduenz , with full power of substitution and proxy of the undersigned, to appear and vote and otherwise act for the undersigned at the special meeting of the members of the Corporation , to be held on June __, 1995, at _____ o'clock __m., MST, or any adjournment thereof for the purposes stated in the Notice of Special Meeting. The undersigned hereby directs that this proxy be voted as follows:

For__ Against__ proposed amendment to Article IV of the Articles of Incorporation (To make the life of the corporation perpetual);

For__ Against__ proposed amendment to Article VI of the Articles of Incorporation (To make the size of the Board of Directors and Annual Meeting date consistent with the Bylaws of the Corporation); and,

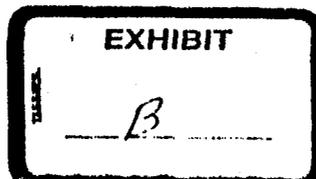
For__ Against__ proposed amendment to Article X of the Articles of Incorporation (To remove the \$500,000.00 debt limitation on the Corporation).

The foregoing Amendments are fully set forth in the Articles of Amendment attached to the Notice of Special Meeting. THIS PROXY WILL BE VOTED AS DIRECTED. IF NO CONTRARY DIRECTION IS INDICATED, THIS PROXY WILL BE VOTED FOR THE ABOVE PROPOSITIONS.

DATED the __ day of June, 1995.

(Signature)

(Please Print Name)



ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF

MT. TIPTON WATER COMPANY, INC.

Pursuant to the provisions of A.R.S. §10-1035, the undersigned corporation adopts the following articles of Amendment to its Articles of Incorporation.

ARTICLE I

The name of the corporation is:

MT. TIPTON WATER COMPANY, INC.

ARTICLE II

Article IV of the Articles of Incorporation is hereby amended to read as follows:

The duration of the corporation shall be perpetual.

ARTICLE III

Article VI of the Articles of Incorporation is hereby amended to read as follows:

The affairs of the Corporation shall be conducted by a Board of Directors, the size of which shall be as set forth in the Corporation's Bylaws. The Board shall be elected by and from the membership at the annual meeting of the Corporation to be held on the second Friday of October in each year at 7:00 p.m., or such other time and date as determined by the Board of Directors.

BYLAWS OF THE MT. TIPTON WATER COMPANY

Amended September 10, 1998

(Amendments and Corrections underlined and in bold typeface.)

Summary of Revisions and Member Voting Attached

5-3

ARTICLE I
Office

The principal office of the Corporation in the State of Arizona shall be located at Lake Mohave Ranchos, County of Mohave. The Corporation may have such other offices, either within or without the State of Arizona, as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

The Corporation shall have and continuously maintain in the State of Arizona a statutory office and a statutory agent.

ARTICLE II
Membership

Section 1: Classes of Members: The Corporation shall have two (2) classes of members:

- A. Any property owner paying an initiation fee and annual membership dues, set periodically by the Board of Directors, can be a "Class A Non-Voting Member" of the Mt. Tipton Water Company, Inc.
- B. Any property owner paying an initiation fee and annual membership dues, set periodically by the Board of Directors, and purchasing water from the Mt. Tipton Water Co., Inc. is a "Class B Voting Member". When a Class B Voting Member discontinues using water, he or she becomes a "Class A Non-Voting Member".
- C. No member may hold more than one (1) membership in the corporation. Except as provided herein, if a lot(s) and meter are jointly owned, the joint owners shall collectively be entitled to one (1) membership. For example, if parties A and B jointly own only one (1) lot and meter, they are collectively entitled to one (1) membership. However, if A and B jointly own a lot and meter and A subsequently also acquires a lot with C, then the lot owned by A and C will not be entitled to a membership or corresponding voting rights because A is already a member. In unusual and complex ownership cases involving more than one property and more than two owners, the Board of Directors shall determine the voting membership.

Section 2: Application for Membership: A real property owner applying for membership in the Corporation shall meet the following requirements:

- A. Make a written application for membership and submit proof of property ownership in a form satisfactory to the Corporation.
- B. Agree to comply with the Articles of Incorporation, the Bylaws, the Rules and Regulations adopted by the Board of Directors. Members shall be elected to the membership by an affirmative vote of two-thirds of the Board of Directors.

Section 3: Voting Rights of the Membership: Each member shall be entitled to one (1) vote on each matter submitted to a vote of the members. Where property ownership is in the names of two (2) or more persons, membership shall be in the name of the person signing the application for membership with one (1) vote per membership.

Section 4: Termination of Membership:

- A: When a member discontinues using water, he(they) becomes a Class "A" Non-Voting Member only (ref: Sec. 1, A & B).
- B: The Board of Directors, by affirmative vote of two-thirds (2/3rds) of its members, may suspend or expel a member for cause, after an appropriate hearing. (For Cause: includes but is not limited to misconduct, misuse of company funds, water or equipment, failure to comply with the ByLaws and Articles of Incorporation and Rules and Regulations adopted by the Board of Directors.)
- C: A majority vote of those present at any regularly constituted meeting of the Board, may terminate the membership of any member who becomes ineligible for membership, or suspend or expel any member who shall be in default in the payment of any charges, assessments or other accrued fees, for the period fixed in these Bylaws (see Article XI, Default). Membership in the corporation can be re-instated by once again becoming a water user and paying all past due assessments and fines.

Section 5: Transfer of Membership: Membership in the Corporation is not transferable or assignable.

Section 6: Membership Certificates: Membership in the Corporation shall be evidenced by a Membership Certificate which shall be in such form and shall contain such provisions as shall be determined by the Board of Directors. Such certificates shall be signed by the President and the Secretary of the Corporation and the Corporate Seal shall be affixed thereto. No membership certificate shall be issued until the initiation fee has been fully paid in cash. In case the certificate is lost, destroyed or mutilated, a new certificate may be issued therefore upon uniform terms and indemnity to the Corporation as the Board of Directors may prescribe.

Section 7: Assessment of Members: The Board of Directors may levy pro-rata assessments upon the membership to the extent necessary to maintain the property of the Corporation in good condition and to meet the outstanding obligations of the Corporation as they mature in the event that the revenues of the Corporation are insufficient for such purposes. Members who do not pay such assessments within a required time after they are levied are subject to termination of membership by the Board of Directors.

Section 8: Members Non-Liability for Debts of the Corporation: The private property of the members shall be exempt from execution or other liability for the debts of the Corporation and no member shall be individually liable or responsible for any debts or liabilities of the Corporation.

ARTICLE III
Meetings of Members

- Section 1: Annual Meeting of Members: An annual meeting of the members shall be held in Dolan Springs, Mohave County, Arizona, on the 2nd Friday of October in each year, at 7:00 p.m., or such other time and date as determined by the Board of Directors, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Arizona, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as convenient.
- Section 2: Special Meetings of the Membership: Special meetings of the members may be called by the President, a majority of the Board of Directors, or not less than one-tenth (1/10th) of the members having voting rights.
- Section 3: Notice of Membership Meetings: Written or printed notices stating the place, day and hour of any meeting of members shall be delivered either personally or by mail, to each member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. In the case of a special meeting, or when required by statute or by these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the Corporation, with postage thereon prepaid.
- Section 4: Quorum at Membership Meetings: The members holding fifty-one (51%) percent of the votes which may be cast at any meeting shall constitute a quorum at such meetings. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time without any further notice. Notwithstanding the above, so long as the total number of members does not exceed five hundred (500) members, thirty-three and one-third percent (33-1/3%) of the total number of members who reside in Mohave County and are present in person at a meeting shall constitute a quorum. In the event the total number of members shall exceed five hundred (500) members, twenty-five percent (25%) of the members who reside in Mohave County and are present in person at a meeting shall constitute a quorum.
- Section 5: Absentee Voting and Proxy Voting of the Membership:
- A: Absentee Voting for Election of Directors: A member may vote by Absentee Ballot in the event that the member is unavailable for the election of Directors. Such Absentee Ballot, signed and completed in all aspects by the member, shall be filed with the Secretary or

designated Teller at least one day prior to the day of the meeting. No ballot shall be valid unless it identifies the particular meeting (or any continuance thereof) at which it is to be voted, and shall be invalid as to any other meeting or voting activity.

- B: Proxy Voting on Matters Other Than Election of Directors: A member may vote by Proxy Ballot in the event that the member is unavailable for a meeting where a vote is to take place on matters other than election of Directors. Such Proxy Ballot, signed and completed in all aspects by the member, shall be filed with the Secretary or designated Teller at least one day prior to the day of the meeting. No proxy shall be valid unless it shall designate the particular meeting (and any continuances thereof) at which it is to be voted and no proxy shall be voted except at such meeting or any adjournment thereof.
- C: The presence of a member at a meeting may revoke a Proxy Ballot or Absentee Ballot therefore executed by him and such member shall be entitled to vote at such meeting as though he had not executed a Proxy Ballot or Absentee Ballot.

Section 6: Order of Business at Annual Membership Meeting: The order of business at the annual meeting of members, and so far as possible, at all other meetings of the members shall be essentially as follows:

- A. Salute to the flag of the United States.
- B. Invocation.
- C. Roll call of Officers.
- D. Report as to which members are present in person and which are represented by proxy in order to determine the existence of a quorum.
- E. Additions and corrections to the agenda.
- F. Reading of the notice of the meeting and proof of the due publication of mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.
- G. Reading of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.
- H. Presentation and consideration of reports of Officers, Directors and committees.
- I. Election of Directors.
- J. Unfinished business.
- K. New business.
- L. Adjournment.

ARTICLE IV Directors

Section 1: General Powers of the Directors: The business and affairs of the Corporation shall be managed by a Board of Directors of not less than seven (7) nor more than eleven (11), which shall exercise all the powers of the Corporation except such as are by law, the Articles of Incorporation, or of these Bylaws conferred upon or reserved to the membership.

- Section 2: Election and Tenure of Office of the Directors: The Board of Directors shall consist of two (2) members from each District receiving water through the Corporation, and one (1) Member-at-Large from a District receiving water through the Corporation. One (1) Director from each District will be elected at each annual meeting to serve a two (2) year term. No Director may serve more than three (3) consecutive terms of two (2) years each. A Past Director may serve again as a Director after a period of at least two (2) years has lapsed.

Where necessary to fill existing vacancies at the time of the annual meeting, one (1) Director will be elected for a two (2) year term and one Director will be elected for a one (1) year term, to establish alternating year terms for board members.

The area served by the Corporation is divided into three (3) Districts, with boundaries as follows:

District A: All that real property located north and south between 9th Street to Highway 93, east and west between the easterly line of Range 18 West and westerly line Range 19 West, plus Lake Mohave Ranchos, Unit 1, Section 13, Township 25 north, Range 20 West.

District B: All that real property located north and south between 13th and 9th Streets, east and west between the easterly line of Range 18 West and the westerly line of Range 19 West, plus Lake Mohave Ranchos Unit 22, Section 35, Township 26 North Range 20 West.

District C: All that real property located north and south between 17th and 13th Streets, east and west between the easterly line of Range 18 West and westerly line of Range 19 West.

- Section 3: Qualifications of Directors: No person shall be eligible to become or remain a voting Director or to hold any position of trust in the Corporation who is not a member and bonafide resident of the area served by the Corporation. Upon establishment of the fact that a Director is holding office in violation of the foregoing provision, the Board of Directors shall remove such a Director from office.

Two persons from the same household, business partners, business associates or co-workers may not serve concurrently on the Board of Directors. This provision shall apply to all Directors elected on and after the 1996 Annual Membership Meeting.

- Section 4: Removal of Directors by Members: Any voting member may bring charges against a Director by filing with the Secretary such charges against a Director in writing, together with a petition signed by at least ten percent (10%) of the members, may request the removal of such Director by reason thereof.

Such Director shall be informed in writing of the charges at least ten (10) days prior to the meeting of the members at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel

and to present evidence in respect of the charges, and the person or persons bringing the charges against him shall have the same opportunity.

The question of the removal of such Director shall be considered and voted upon at the meeting of the members and any vacancy created by such removal may be filled by vote of the members at such meeting without compliance with the foregoing provisions with the respect to nominations, provided that if election of Directors is by voting Districts, the Director must reside in the same District as the Director in respect of whom the vacancy occurs.

Section 5: Recalled Directors: Any Director who is recalled or resigns as a reason of recall may not serve again as a Director.

Section 6: Vacancies on the Board of Directors: Any vacancy, other than one caused by the removal and election of a new Director, shall be filled for the unexpired portion of the annual term of the Director by the remaining members of the Board; provided, however, the vacancy of any Director elected to serve a particular District shall be filled by another member from the same District unless the vacancy remains unfilled for thirty (30) or more days. If the vacancy remains after such thirty (30) day period, the Board may, after advertising the vacancy to the membership, appoint an At-Large Director for the term. When the term expires the vacancy shall be filled in such manner as set forth in these Bylaws under Article IV, Section 2.

Section 7: Compensation of Directors: No member of the Mt. Tipton Water Company Board of Directors will be paid any salary or money for any work done for the company except for travel and expenses while on Water Company business when authorized by the Board of Directors and supported by an itemized expense report and receipts.

Section 8: Conflict of Interest on the Board of Directors: No member of the Mt. Tipton Water Company may serve on the Board of Directors of the Corporation who also serves, at the same time, on the Board of Directors of another water company or is an employee or agent of another water company.

Section 9: Nomination of Directors:

A. Qualified members who wish to serve on the Board of Directors shall complete and return to the office an Application for Nomination by the September Regularly Scheduled Board Meeting. The Secretary shall send a Nomination/Absentee Ballot to all members no later than ten days before the Annual Meeting. Members may mail their Absentee Ballots or bring them to the Annual Meeting in accordance with these Bylaws (ARTICLE III, Section 5:A).

B. Nominations for Directors will not be taken from the floor at the Annual Meeting.

ARTICLE V
Meetings of Directors

Section 1: Annual and Regular Meetings of the Board of Directors: After the annual meeting of the members, a regular meeting of the Board of Directors shall be held without notice either immediately after and at the place as the annual meeting of the members or at an agreed upon time and place the week following the annual meeting. A regular meeting of the Board of Directors shall also be held monthly at the time and place fixed at the previous meeting of the Board, at such time and place as the Board may provide by resolution. Such regular meetings may be held without notice other than such resolution fixing the time and place thereof.

Section 2: Special Meetings of the Board of Directors: Special meetings of the Board of Directors may be called by the President or by any two Directors, and it shall be the duty of the Secretary, upon receipt of such written demand for a meeting, to cause notice of such meeting to be given as hereinafter provided. The person or persons authorized to demand such special meeting shall fix the place and time of such meeting.

Section 3: Notice of Meetings of the Board of Directors: Notice of any special meeting of the Board of Directors shall be given at least three (3) days previously thereto by written notice delivered personally or sent by mail to each Director at his address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when the notice is delivered to the Post Office.

Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at the meeting need not be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

Emergency and Executive Meetings may be called from time to time with twenty-four (24) hours verbal notice, without prior written notice or agenda to handle urgent matters, legal matters and personnel matters.

Section 4: Video and Sound Recordings of the Meetings of the Directors: Approval to video tape or use other recording devices during a meeting of the Board of Directors must be obtained from the President twenty-four (24) hours prior to a meeting. The President may revoke permission to record during a meeting if it is warranted. This does not affect the right to record a meeting by the Secretary for purposes of preparing the minutes.

Section 5: Attendance by Directors at Regularly Scheduled Board Meetings: Any Board member absent for two consecutive regularly scheduled Board Meetings in a twelve (12) month period

without just and valid reason presented before the meeting, or within a week following the second missed meeting may be removed from the Board of Directors by a majority vote of the remaining Directors. The act of the majority of the remaining Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 6: Quorum of the Board of Directors: A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 7: Manner of Acting of the Board of Directors: The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws.

ARTICLE VI Officers

Section 1: Officers: The Officers of the Corporation shall be a President, one (1) or more Vice-Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer and such other Officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect such other Officers including one or more Assistant Secretaries and one or more Assistant Treasurers as it shall deem desirable, such Officers to have the authority to perform the duties prescribed, from time to time, by the Board of Directors. Any two (2) or more offices may be held by the same person except the offices of the President or Secretary. A Director must serve one (1) year on the Board of Directors before being elected as President.

Section 2: Election and Term of Office of Officers: The Officers of the Corporation shall be elected annually by the Board of Directors at the first regular meeting of the Board of Directors held immediately after the annual meeting of the membership. If the election of Officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. New offices may be created and filled at any meeting of the Board of Directors. Each Officer shall hold office until his successor shall have been duly elected and shall have qualified.

Section 3: Removal of Appointed Agents By Directors: Any agent appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgement the best interests of the Corporation will be served thereby.

Section 4: President of the Board of Directors: The President shall:

A: Be the principal Executive Officer of the Corporation and unless otherwise determined by the members of the Board of Directors,

shall preside at all meetings of the Board of Directors.

- B: Sign, with the Secretary, certificates of memberships, the issue of which shall have been authorized by the Board of Directors, or the members, and may sign any deeds, mortgages, deeds of trust, notes, bonds, contracts, or other instruments authorized by the Board of Directors to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other Officer or agent of the Corporation or shall be required by law to be otherwise signed or executed.
- C: In general perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5: Vice-President of the Board of Directors: In the absence of the President or in the event of his inability to act, or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have all the power of and be subject to all the restrictions of the President. The Vice-President shall also perform such other duties as from time to time may be assigned to him by the Board of Directors.

Section 6: Secretary of the Board of Directors: The Secretary shall:

- A: Keep the minutes of the meetings of the members and the Board of Directors in one or more books provided for that purpose. Keep on file with the minutes, a list of all members and non-members who attend all meetings.
- B: See that all notices are duly given in accordance with these Bylaws or as required by law.
- C: Be custodian of the Corporation records and of the Seal of the Corporation, and affix the seal of the Corporation to all certificates of membership prior to the issue thereof and to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these Bylaws.
- D: Keep a register of the names and post office addresses of all members.
- E: Have a general charge of the books of the Corporation.
- F: Keep on file at all times a complete copy of the Articles of Incorporation and Bylaws of the Corporation containing all amendments thereto, which copy shall always be open to the inspection of any member. Each member of the Board of Directors will be furnished a complete set of the Bylaws and Articles of Incorporation.
- G: In general, perform all duties incident to the office of Secretary and such duties as from time to time may be assigned to him by the Board of Directors.

Section 7: Treasurer of the Board of Directors: The Treasurer shall:

- A: Have charge and custody of, and be responsible for, all funds and securities of the Corporation.
- B: Be responsible for the receipt of, and the issuance of receipts for all monies due and payable to the Corporation, and for the deposit of all such monies in the name of the Corporation in such bank or banks as shall be selected in accordance with the provisions of these Bylaws.
- C: In general perform all duties incident to the office of the Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors.

Section 8: General Manager: The Board of Directors, with the approval of the loaning agency, may appoint a General Manager who may be, but who shall not be required to be a member of the Corporation. The General Manager shall perform such duties and shall exercise such authority as the Board of Directors may from time to time vest in him.

Section 9: Bonds of the Officers of the Board of Directors: The Treasurer and any other Officer or agent of the Corporation charged with the responsibility for the custody of any of its funds or property shall give bonds in such sum, and with such surety as the Board of Directors shall determine. The Board of Directors, in its discretion, may also require any other Officer, agent or employee of the Corporation to give bond in such amount and with such surety as it shall determine.

Section 10: Compensation: The powers, duties and compensation of Officers, agents and employees shall be fixed by the Board of Directors, subject to the provisions of these Bylaws.

Section 11: Reports of the Officers: The Officers of the Corporation shall submit at each meeting of the members, reports covering the business of the Corporation for the previous fiscal year. Such reports shall set forth the condition of the Corporation at the close of such fiscal year.

ARTICLE VII Corporation Seal

The Seal of the Corporation shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words, "Incorporated 1968, Arizona."

ARTICLE VIII Financial Transactions

Section 1: Contracts: Except as otherwise provided by these Bylaws, the Board of Directors may authorize any Officer or Officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation, and such authority may be general or confined to a specific instance.

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION

To all to whom these presents shall come, greeting:

I, Jack Rose, Executive Secretary of the Arizona Corporation Commission, do hereby certify that

*****MT. TIPTON WATER COMPANY, INC.*****

a domestic corporation organized under the laws of the state of Arizona, did incorporate on May 15, 1968.

I further certify that this corporation has filed all affidavits and annual reports and paid all filing fees required to date and, therefore, is in good standing in this state.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capitol, this 15th day of June, 1998, A. D.



Jack Rose
Executive Secretary

BY: *[Signature]*

MOUNT TIPTON WATER COMPANY, INC.

5-7

MINUTES OF SPECIAL MEETING
OF
BOARD OF DIRECTORS - AUGUST 17TH, 2000 - 6:00PM

IN ATTENDANCE:

William Rodgers	President
Herman Jackowiak	Treasurer
Butch Raduenz	Director
Dave Estenson	Director
Pete Homer	Director
Vic Nicholson	Director
Claude L. Myers	General Manager

ABSENT: (EXCUSED)

Floyd Nash Vice-President

At 6:00PM, President William Rodgers opened the meeting with roll call and flag salute.

A motion was made to accept the proposal (to apply for a Technical Assistance Grant to have a full Feasibility Study, both engineering & financial done on Dolan Springs Water Co. & M.T.W.C., Inc. for the purpose of potential consolidation of the two companies) presented by Supervisor Zaborsky, Mr. Dick Skalicky/ Int. County Manager & Mr. Bob Ruhl/ W.I.F.A. consultant. The motion was seconded and passed by a unanimous vote by the B.O.D.

Meeting was adjourned at 7:00PM.

Next regularly scheduled meeting - 09-14-00.

Respectfully submitted,



Claude L. Myers - General Manager

- Section 2: Checks, Drafts, etc.: All checks, drafts, or other orders for the payment of money and all notes, bonds or other evidences of indebtedness issued in the name of the Corporation shall be signed by such Officer or Officers, agent or agents, employee or employees of the Corporation, and in such manner as shall from time to time be determined by resolution of the Board of Directors.
- Section 3: Deposits: All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such bank or banks as the Board of Directors select.
- Section 4: Fiscal Year: The fiscal year of the Corporation shall begin the first (1st) day of January of each year and end on the thirty-first (31st) day of December of the same year.
- Section 5: Indebtedness: The total direct or contingent indebtedness or liability of the corporation shall be in such amounts as determined by the Board of Directors of the Corporation, provided any sale, purchase, lease, exchange, mortgage, pledge or other disposition of all or substantially all, of the assets of the corporation shall be approved by a majority of the members at a regular or special meeting called expressly for this purpose.

ARTICLE IX
Miscellaneous

- Section 1: Waiver of Notice: Any member or Director may waive in writing any notice of meeting required to be given by these Bylaws. The attendance of a member or Director at any meeting shall constitute a waiver of notice of such meeting by such member or Director, except in a case where a member or Director shall attend a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting has not been lawfully called or convened.
- Section 2: Rules and Regulations: The Board of Directors shall have power to make and adopt such rules and regulations, not inconsistent with law, the Articles of Incorporation or these Bylaws, as it may deem advisable for the management of the business and affairs of the Corporation.

ARTICLE X
Amendments

These Bylaws may be altered, amended or repealed by the affirmative vote of a majority of the members of the Corporation present at any regular or special meeting called for that purpose, provided that the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal.

ARTICLE XI
Default

Unless otherwise specified, a member shall be in default if more than thirty (30) days elapse and the requirements of the Articles, Bylaws, or rules have not been complied with in full. Determination of compliance and of time shall be made by the Board of Directors. The Board of Directors may defer a payment of the minimum monthly bill of any member of the Water Company who by two-thirds (2/3rds) vote of the Board Members, is found to be in need and financially unable to pay such bill.

Changes and amendments to these Bylaws approved by the members by proxy ballot vote and the Board of Directors at a meeting of the Board of Directors on September 10, 1998.