

# State of Idaho

## Department of State

### CERTIFICATE OF INCORPORATION OF

TOWN DITCH LATERAL DITCH WATER USERS ASSOCIATION, INC.

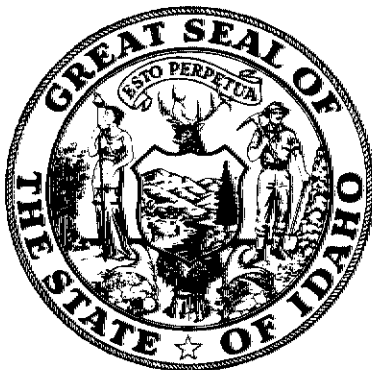
I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of \_\_\_\_\_

TOWN DITCH LATERAL DITCH WATER USERS ASSOCIATION, INC.

duly signed pursuant to the provisions of the Idaho Nonprofit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated December 31, 19 86.



*Pete T. Cenarrusa*  
SECRETARY OF STATE

*[Signature]*  
Corporation Clerk

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ARTICLES OF INCORPORATION OF  
TOWN DITCH LATERAL DITCH  
WATER USERS ASSOCIATION, INC.

Article I

NAME

Section 1. The name of this organization shall be the "TOWN DITCH LATERAL DITCH WATER USERS ASSOCIATION". The organization may at its pleasure by a vote of the membership change its name.

Section 2. The association is a non-profit corporation.

Section 3. The period of duration is perpetual.

Article II

PRINCIPAL OFFICE

The post office address of the association's principal office is Town Ditch Lateral Ditch Water Users Association, Inc., c/o 2201 East Main, Salmon, ID 83467.

Article III

PURPOSE

This association is organized pursuant to Chapter 3, Title 30, Idaho Code, and in accordance with the provisions of Chapter 13, Title 42 of the Idaho Code, "Lateral Ditch Water Users Association" to deliver irrigation waters from the Lemhi River through the Town Ditch to members owning or having an interest in real property situated in Township 21 North, Range 22 and 23 E., B.M., historically served by the "Town Ditch", and to deliver the irrigation waters pro rata according to acreage, and in accordance to the findings and judgment, In the matter of the General Determination of the Rights of the Use of the Surface Waters and Tributaries from Whatever Source of the Lemhi River Drainage Basin, Lemhi County Civil Case No. 4948, as more particularly set forth in the "green book" and its amendment.

## Article IV

### ORGANIZATION

Section 1. Annual Meeting. This association shall meet annually between January 1st and the last Monday in March of each year at the call of the secretary and said secretary shall give ten (10) days notice by mail of such annual meeting; provided, that if for any reason the secretary shall fail to call a meeting, then the annual meeting of this association shall be held on the last Monday of March of each year.

Section 2. Voting. At such annual meeting each water user shall be entitled to one vote in person for each inch or fraction thereof of a unit of water which such water user is entitled to receive from such laterals and a corporation shall vote by one of its officers designated by it.

Section 3. Officers. This organization shall elect a chairman, a vice-chairman and a secretary-treasurer, which officers shall also constitute the Board of Directors of this association and shall serve for one year until their successors are elected.

Section 4. Manager. The association shall also elect a manager of said lateral or laterals to be known as "lateral manager" for the succeeding season and shall fix the compensation of said manager and of all officers. One person may hold more than one office provided that one individual shall not hold the office of lateral ditch manager and secretary-treasurer at the same time. In the event that the association at its annual meeting fails to elect a lateral ditch manager, such lateral ditch manager may be elected by the Board of Directors of this association, who may also fix the compensation. The manager of the lateral or laterals, in

addition to the duties prescribed by the association, shall perform all duties fixed for such lateral managers under the provisions of Section 42-907 and Section 42-910 of the Idaho Code, except as may be modified by Section 42-1301 et.seq.

Section 5. Advisory Board. The association may elect an advisory board to assist and give advise to the directors and the lateral ditch manager on matters concerning the association. The number of persons on the advisory board shall be established by the members.

Section 6. Powers. This association may adopt such rules and regulations for the management of the said laterals or distribution ditch or ditches and the delivery of water therefrom as they deem best, and may, by majority vote, if it be deemed for the best interest of the association, combine one or more laterals and abandon laterals not in use, and do any and all things not in conflict with the laws of the State of Idaho wherein the best interest of the association will be furthered.

#### Article V

#### MEMBERSHIP

Members of the association shall be those individuals owning lands or an inerest therein which are served by the Town Ditch. Each member shall be entitled to vote one vote for each acre or fractional acre thereof in which the member owns or has an interest therein, provided, however, there shall be no more than one vote per acre or fraction thereof. In the event an acre is owned by more than one person, then said person shall be entitled to cast one vote for the acre as they themselves deem. New members shall be entitled to vote on the same basis as the old members and in

accordance with the general rule or rules. Nothing to the contrary withstanding the water delivered by the association ditch system shall be appurtenant to the land to which it is delivered and the transfer of water rights must be made in accordance with the provisions of the Idaho Code then in effect.

#### Article VI

##### REPAIRS AND IMPROVEMENTS

##### ASSESSMENT OF COSTS

Immediately after the annual meeting of any such association the directors thereof and the lateral manager shall make an examination of the lateral or distributing ditch or ditches, and make an estimate as to the cost of the necessary repairs and improvements thereon, and the maintenance thereof for the succeeding season, including the compensation of officers and lateral manager and such total cost and charges shall be assessed pro rata to each water user from said lateral, in the following manner, if agricultural land in proportion to the water which the owner is entitled to receive from such lateral or ditch. The improvement, repair and maintenance of any such lateral or distributing ditch shall be under the direction of the directors of the association.

#### Article VII

##### ASSESSMENTS - NOTICE - PENALTIES

On or before the fifteenth day of April in each year the secretary of the association shall notify each water user of the amount assessed against him for that year as herein authorized, and the same shall be due and payable on the first day of May of each year and if not so paid on or before the fifteenth day of June of

such year, a penalty of ten per cent (10%) shall be added thereto, and the total amount shall draw interest at the rate of ten per cent (10%) per annum from said fifteenth day of June of such year until paid.

#### Article VIII

##### DELINQUENT USERS

No water user shall be entitled to demand or receive water from said lateral whenever any such assessment is due and unpaid, and the lateral manager shall not distribute any water to such water user while delinquent in such payment except upon order of the Board of Directors of the association who shall have authority to cause such water to be delivered provided, the water user shall give such security for the payment of such assessment against him as shall be required by the Board of Directors.

#### Article IX

##### COLLECTION AND DISBURSEMENT OF FUNDS

The lateral manager shall collect all assessments so made and pay the same to the secretary-treasurer taking his receipt therefor. The secretary-treasurer of this association shall keep the funds of the association in the name of the association and shall draw warrants or checks thereon to pay the costs and expenses of the manager of said lateral as herein provided for upon the order of the Board of Directors, and shall perform such other duties as the association may prescribe.

#### Article X

##### ACTION FOR ASSESSMENT

In case any assessment, as herein provided for is due and unpaid the association may sue to collect the same, in the name of

its secretary-treasurer as such, in any Court of competent jurisdiction, and in addition to the amount due including all penalties and interest, and all costs incurred in said action, may collect a reasonable attorney's fee in such action to be fixed by the Court.

Article XI

AUTHORITY TO BORROW MONEY

This association shall be authorized to borrow money in accordance with the provisions of Section 42-1309 of the Idaho Code.

Article XII

REGISTERED AGENT

The ~~registered~~ agent of this association shall be Robert L. Thomas, Town Ditch Lateral Ditch Water Users Association, c/o 2201 East Main Street, Salmon, Idaho, which address is the registered office.

Article XIII

BOARD OF DIRECTORS

The incorporators and the first Board of Directors shall be as follows:

Robert L. Thomas  
Route #1, Box 112  
Salmon, Idaho 83467

Kenneth R. Bailey  
2201 E. Main St.  
Salmon, Idaho 83467

Dan French  
Route #1,  
Salmon, Idaho 83467

Marvin Mathews  
Route #1, Box 89  
Salmon, Idaho 83467

Gordon Daniels  
Box 1472  
Salmon, Idaho 83467

Gordon Daniels  
Robert L. Thomas  
Kenneth R. Bailey  
Dan French MC  
Marvin Mathews

STATE OF IDAHO )  
                  :  
County of Lemhi )

On this 30 day of December, 1986, before me, the undersigned, a Notary Public in and for said State, personally appeared ROBERT L. THOMAS, E. DAN FRENCH, GORDON DANIELS, KENNETH R. BAILEY, and MARVIN MATHEWS, known to me to be the persons whose names are subscribed to the within instrument and acknowledged too me that they executed the same.

IN WITNESS WHEREOF I have herunto set my hand and affixed my official seal the day and year in this certificate first above written.



\_\_\_\_\_  
Notary Public for State of Idaho  
Residing at Salmon, Idaho  
Comm. expires: 10/92