



CERTIFICATE OF INCORPORATION  
OF

**TANNER CANAL COMPANY, INC.**

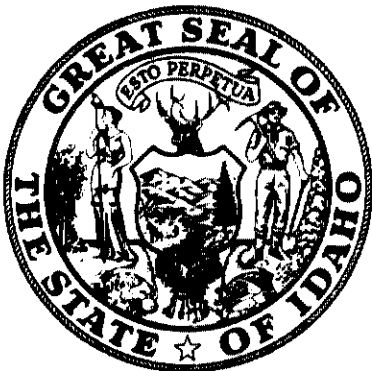
I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of \_\_\_\_\_

**TANNER CANAL COMPANY, 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 August 16, 19 90.



*Pete T. Cenarrusa*

SECRETARY OF STATE

*Elizabeth M. Zabala*

Corporation Clerk

ARTICLES OF INCORPORATION  
OF  
TANNER CANAL COMPANY, INC.

RECORDED  
SEC. OF STATE

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KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, all full-age citizens of the United States and of the State of Idaho, have this day voluntarily associated ourselves together for the purpose of forming a non-profit corporation under the laws of the State of Idaho, and particularly under the provisions of Chapter 3 of Title 30, Idaho Code, and to that end, we hereby agree as follows:

ARTICLE I

Corporate Name

The name of this corporation shall be Tanner Canal Company, Inc.

ARTICLE II

Corporation to be Non-Profit

This corporation shall not be operated for profit; and no dividend shall ever be declared nor paid to the stockholders, save and except a liquidation dividend in the event of the dissolution of said corporation. Stock assessments and charges for transportation of rented water shall be based upon actual costs of operation; and any sums collected in excess of current needs shall be considered in the preparation of the budget for the next succeeding year, and shall be used to reduce assessments for such succeeding year.

ARTICLE III

Period of Duration

The duration of said corporation shall be perpetual or until otherwise dissolved or disincorporated, pursuant to law.

ARTICLE IV

Corporate Purposes

The purposes for which said corporation is formed, and the powers said corporation shall have, are as follows:

1. To acquire, own, hold, operate and maintain dams, ditches, flumes, reservoirs, aqueducts and other water works and water transportation systems for the use and benefit of the stockholders of said corporation.

2. To assess the stockholders, based upon the number of shares of stock owned, for the purpose of raising necessary funds to cover the cost of operation and maintenance of said water and canal system.

3. To make such additional charges as may be determined by the board of directors for the delivery of rented water through the corporation's canals.

4. To sue, or to be sued.

5. To require each stockholder in said corporation to own and hold shares of stock of this corporation at least equal in number to the number of shares of water stock of the Last Chance Canal owned by such stockholder, representing water to be delivered from or carried through the canal system of this corporation.

6. To do any and all other things whatsoever not prohibited by law which may be reasonably necessary or convenient in the operation of a canal company, or for the carrying out of the other purposes and powers of said corporation.

#### ARTICLE V

##### Registered Office and Registered Agent

The Registered Office of said corporation shall be located at 1975 Telford Road, Grace, Idaho 83241; and the Registered Agent of the corporation located at such address shall be Grant Williams. Said office and agent may be changed from time to time, as the business of the corporation may require; but the Secretary of the corporation shall report any such changes to the office of the Secretary of State of the State of Idaho immediately upon the occurrence of any such change.

#### ARTICLE VI

##### Officers and Directors

The Board of Directors of said corporation shall consist of five members, to be chosen from among the stockholders. The officers of the corporation shall be a President, a Vice President, a Secretary and a Treasurer. The offices of Secretary and Treasurer may be combined in one person. The President and Vice President shall be elected by the Board of Directors from among their own number. The Secretary and the Treasurer may be chosen by the Board of Directors without reference to membership in the corporation.

The following persons shall constitute the incorporators, first board of directors, and officers of the corporation for the first year of its corporate existence, and until their successors are chosen and qualified:

<u>NAME</u>	<u>OFFICE</u>	<u>ADDRESS</u>
Grant Williams	President and Director	1975 Telford Road, Grace, Idaho 83241
Kevin Smith	Vice President and Director	107 South 2nd West, Grace, Idaho 83241
Lee Gibson	Director	1962 Telford Road, Grace, Idaho 83241
Vester Olsen	Director	979 River Road, Grace, Idaho 83241
Carl Jr. Rasmussen	Director	1867 Turner Road, Grace, Idaho 83241

#### ARTICLE VII

##### Capital Stock

The amount of the capital stock of the corporation shall be TEN THOUSAND DOLLARS divided into Ten Thousand (10,000) shares with a par value of One Dollar (\$1.00) per share.

#### ARTICLE VIII

##### Stockholders

The amount of said capital stock which has actually been subscribed is FIVE THOUSAND NINE HUNDRED EIGHTY FOUR (5,984) shares, and the following are the names of the persons by whom the same has been subscribed, to-wit:

<u>OWNER</u>	<u>No. of Shares</u>	<u>OWNER</u>	<u>No. of Shares</u>
Joan Andreason	5	Vester Olsen	170.5
James D. Barthlome	90	Carl Jr. Rasmussen	400
Robert Comish	11	Russell Rindlisbaker	583
Lee Gibson	558	Roland Robinson	152
Phyllis O. Gibson	250.5	Everett Smith	815
Merrill Hulse	194	Kevin Smith	308
Keith Lloyd	1199	Jack Stoddard	10
DeRay Nelson	575	Grant Williams	366
Barbara Olsen	235	LaMar Winward	62

The balance of the stock shall be Treasury Stock, subject to sale by the Board of Directors of the corporation.

Each stockholder shall be allowed one vote for each share of stock of the corporation owned by such stockholder.

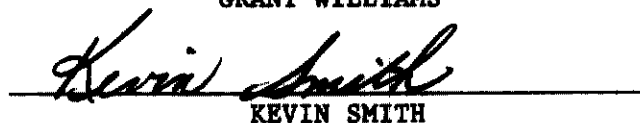
ARTICLE IX

By-Laws to Govern

The rights, duties, obligations and powers of the various officers and directors of this corporation, together with other rules and regulations for the governing of said corporation shall be incorporated in a set of by-laws to be adopted by the stockholders of said corporation at the first meeting of the stockholders following completion of incorporation.

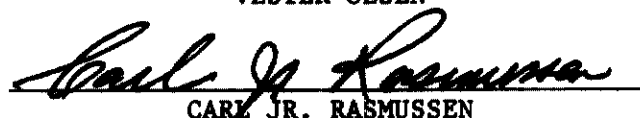
IN WITNESS WHEREOF, the parties to this agreement have hereunto set their hands this 15th day of August, 1990.

  
GRANT WILLIAMS

  
KEVIN SMITH

  
LEE GIBSON

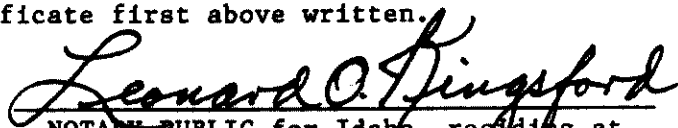
  
VESTER OLSEN

  
CARL JR. RASMUSSEN

STATE OF IDAHO       )  
                              : ss.  
County of Caribou    )

On this 15th day of August, 1990, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Grant Williams, Kevin Smith, Lee Gibson, Vester Olsen and Carl Jr. Rasmussen, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

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

  
NOTARY PUBLIC for Idaho, residing at  
Soda Springs, Idaho. My commission  
expires: August 15, 1991.