

State of Idaho

Department of State

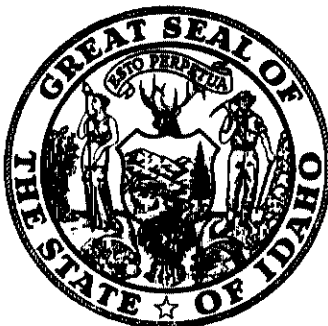
CERTIFICATE OF INCORPORATION OF

TYHEE ESTATES WATER 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 TYHEE ESTATES WATER 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: February 8, 1993



Pete T. Cenarrusa
SECRETARY OF STATE

By *Valerie Taylor*

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A Not For Profit Corporation

The actual cost of management and operation of the business of this corporation shall be met by water rates and charges for the delivery of water to stockholders receiving water throughout the year. Whenever the board of directors deems it advisable to fix rates and charges

for water, such rates and charges shall be fixed by equitably prorating the cost of delivering water for that year to the stockholders of the corporation receiving water for that year, which actual cost, in the discretion of the board of directors, may include items for depreciation and for the maintenance and operation of pipelines and pumps and for readiness to deliver water. All such rates and charges shall be fixed in the manner required by law to preserve the private ownership of the water rights of the corporation and the delivery of its water as a mutual water company.

This corporation shall have a lien on its shares of stock for all assessments levied thereon, and shall have a lien on its shares of stock and the appurtenant land for all rates and charges for water furnished to the ownership or owners of shares of stock or persons holding under them. The corporation shall provide for the enforcement of all such liens and the sale of its shares of stock for failure to pay any assessments, rates, or charges, and shall not be required to transfer shares on its books, or to furnish water on account thereof, or to such shareholders or to any persons claiming under them, or to the land to which such shares may at the time be appurtenant, unless and until all assessments, rates and charges are paid, at the time and in the manner provided by these articles, the bylaws and the rules of this corporation. The officer of this corporation making any such sale where the shares sold are appurtenant to land is hereby constituted the attorney-in-fact for such owner for the purpose and with the power to sever such shares from such land on such sale.

This corporation shall distribute water to its stockholders for use on those certain lands situated in the county of Bannock and more particularly described as follow:

**W 1/2 of the SW 1/4 of section 26, T.5 S., R. 34 E., B.M.
Bannock County, Idaho**

all in what is known as Tyhee Estates Subdivision, and its Additions, Bannock County, Idaho.

The shares of capital stock of the corporation shall be appurtenant to any lands of the development.

THIRD: The place where the principal place of business of the corporation is to be transacted is 54550 Riviera Drive, La Quinta, California or such other place as determined by corporate resolution.

FOURTH: The duration of the corporation is perpetual.

FIFTH: There shall be three (4) initial directors of the corporation. The names and residences of the directors who were appointed for the first year and to serve until the election and qualification of their successors are as follows:

**Richard A. Albers
54550 Riviera Drive
La Quinta, CA 92253**

**Alexandra Albers
54550 Riviera Drive
La Quinta, CA 92253**

**William C. Albers
54550 Riviera Drive
La Quinta, CA 92253**

**Alfred C. Albers
54550 Riviera Drive
La Quinta, CA 92253**

The number of directors or officers shall be set forth in the by-laws.

SIXTH: The amount of the capital stock of the corporation shall be ten thousand dollars (\$10,000), divided into 10,000 shares of the par value of one dollar (\$1) each. Stock shall be divided into two classes. The classes shall be Culinary Water Stock and Irrigation Water Stock. Each lot shall receive one share of culinary water stock. Each lot shall have at least one share

of irrigation water stock and one-quarter additional share for each one-quarter acre over one acre of lot size.

Each share of the culinary stock shall represent an equal right in and to the water of the corporation without priority of use over any other share. The corporation shall determine the head to which the water right of each shareholder shall be cumulated an the time of delivery. Each lot owner of Tyhee Estates and its addition shall be required to be a stockholder.

Each owner of stock shall be entitled to two (2) votes on matters affecting culinary and or irrigation water matters. There shall be separate assessments for culinary and irrigation water. The owners of shares, when they have paid the assessments and the water rates and charges due and payable on their shares, shall be entitled to have the water represented by their shares delivered at outlets on the pipelines of the corporation at and below, but not above, the outlets of the ditch. The corporation shall not be required to install or extend distribution pipelines.

Where any shares of stock in this corporation shall be appurtenant to land and the land shall be conveyed without excepting or reserving such shares, and the grantor of such land shall refuse to convey or transfer such shares to his grantee, the corporation may cancel the certificates of the grantor of such land and issue new certificates to his grantee. Such grantee shall then become the legal owner of the shares and shall be entitled to all the rights of a shareholder in this corporation.

No flood irrigation shall be permitted within Tyhee Estates Subdivision or its additions until such time as central sewage disposal systems are available and connected to each dwelling unit.

All plans for development of the irrigation water delivery system shall be presented to Shurtliff Engineering for review for compliance with appropriate standards at its discretion.

SEVENTH: The registered agent shall be:

F. Randall Kline
427 N. Main, Suite L
P.O. Box 397
Pocatello, ID 83204

EIGHTH: The names and addresses of the initial board of directors shall be:

Richard A. Albers
54550 Riviera Drive
La Quinta, CA 92253

Alexandra Albers
54550 Riviera Drive
La Quinta, CA 92253

William C. Albers
54550 Riviera Drive
La Quinta, CA 92253

Alfred C. Albers
54550 Riviera Drive
La Quinta, CA 92253

NINTH: The corporation shall be an Idaho nonprofit corporation.

TENTH: The names and address of the incorporators are as follows:

Richard A. Albers
54550 Riviera Drive
La Quinta, CA 92253

Alexandra Albers
54550 Riviera Drive
La Quinta, CA 92253

William C. Albers
54550 Riviera Drive
La Quinta, CA 92253

Alfred C. Albers
54550 Riviera Drive
La Quinta, CA 92253

Richard Albers
RICHARD ALBERS
Incorporator

Alexandra Albers
ALEXANDRA ALBERS
Incorporator

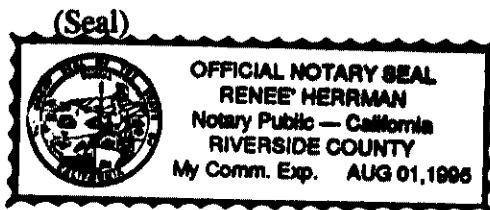
William C. Albers
WILLIAM C. ALBERS
Incorporator

Alfred Albers
ALFRED ALBERS
Incorporator

STATE OF CALIFORNIA)
:SS
COUNTY OF RIVERSIDE)

On this 28th day of DECEMBER, 1992, before me, the undersigned Notary Public in and for said County and State, personally appeared RICHARD A. ALBERS, ALEXANDRA ALBERS, WILLIAM C. ALBERS and ALFRED ALBERS known to me to be the persons whose name are subscribed to the foregoing instrument and acknowledged to me that they executed the same.

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



Renee Herrman
NOTARY PUBLIC
Residing At: LA QUINTA, CA.
My Commission Expires: AUG. 1, 1995

PRK\92-1072.A\Articles, Inc.