



Department of State.

CERTIFICATE OF INCORPORATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho, do hereby certify that the original of the articles of incorporation of

GRANGER SUBDIVISION NO. 2 WATER CORPORATION

was filed in the office of the Secretary of State on the 3rd day of May A. D. One Thousand Nine Hundred Seventy-eight and ~~is~~ will be recorded on ~~Film No.~~ microfilm of Record of Domestic Corporations, of the State of Idaho, and that the said articles contain the statement of facts required by Section 30-103 and Sections 30-1001 to 30-1005, inclusive, Idaho Code.

I FURTHER CERTIFY, That the persons executing the articles and their associates and successors are hereby constituted a corporation, by the name hereinbefore stated, for perpetual existence from the date hereof, with its registered office in this State located at Boise, Idaho in the County of Ada and as such are subject to the rights, privileges and limitations granted to Non-Profit Cooperative Associations as provided in Chapter 10, Title 30, Idaho Code.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of Idaho, this 3rd day of May A.D., 19 78 .

Secretary of State.

ALDRIDGE & SWANSON
Attorneys at Law
117 S. Sixth Street
Boise, Idaho 83702
Phone (208) 336-9880

ARTICLES OF INCORPORATION

GRANGER SUBDIVISION No. 2

WATER CORPORATION

KNOW ALL MEN BY THESE PRESENTS: That we the undersigned persons, all of whom are citizens of the United States of America and of full legal age, have this day voluntarily associated ourselves together for the purpose of forming a non-profit corporation without capital stock, under and pursuant to Title 42, Section 1301 of the laws of the State of Idaho, and that we do hereby make, acknowledge and declare the following to be our Articles of Incorporation.

ARTICLE I

The name of this corporation shall be Granger Subdivision No. 2 Water Corporation.

ARTICLE II

This corporation is an association pursuant to the Idaho Code, §42-1301, and shall have no capital stock; and no dividends or pecuniary profits shall be declared to the members thereof.

ARTICLE III

The objects and purposes for which this corporation are formed are as follows:

(1) To acquire and own real estate and personal property, including water rights, water lines, mains, easements, pumps, pumping fixtures and equipment, water licenses and permits, franchises, and any other property item or effect that may become instrumental for the purposes of which the corporation is organized.

(2) To supervise, manage, distribute, control and supply water to the members of the corporation, and to acquire, maintain control, expand, improve and repair water sources and systems and conduct all business necessary or instrumental to the same.

(3) To make assessments and charges to members for water and water system appurtenances furnished in connection therewith, and which assessments and charges shall be disbursed by the corporation only in payment for expenses of such water system and water system appurtenances.

(4) To perform any lawful act necessary to the acquisition, ownership, maintenances, and expansion of water system or systems, and the distribution of water, and any other lawful act necessary or advisable in the furtherance of the corporation.

ARTICLE IV

The location and postoffice address of the registered office and principal place of business of said corporation shall be 11894 Highlander Road, Boise, Ada County, Idaho, 83705.

ARTICLE V

The duration of this corporation shall be perpetual.

ARTICLE VI

Each owner of an improved property in any residential subdivision which shall be served by the water system or systems of the corporation shall be eligible for membership in the corporation. Such membership shall be at all times identified with the owner of the improved property or improved properties and no membership shall be subject or conditioned upon approval of the Board of Directors or other members. There shall be one voting right for each improved property served by the system and owned by the members, whether owned in community, jointly or separately. Voting rights and membership and continuation thereof shall be dependent upon the ownership of any improved property served by a water system of the corporation and there can be no expulsion of a member or cancellation of voting rights of such member so long as he is qualified.

Voting may be by proxy in writing, dated and signed by a member; provided, however, no such proxy shall be valid beyond eleven (11) months after its execution, nor binding upon a transferee of any improved property from the person executing such proxy.

ARTICLE VII

Nothing in these Articles shall be construed as restricting the ownership of improved properties and no provision shall be made in the Bylaws of the corporation which shall so restrict ownership.

ARTICLE VIII

The corporation shall not lease any real or personal property from any other person or entity.

ARTICLE IX

The Articles of this corporation cannot be changed without the affirmative vote of a majority of all eligible votes.

ARTICLE X

Bylaws not inconsistent with the Articles of Incorporation may be adopted, altered, amended or repealed at any regular meeting of the members, or at any special meeting of the members of the corporation called for that purpose, by the affirmative vote of two-thirds (2/3) of the members present at such meeting; provided, however, a quorum, which shall be a majority of the eligible votes, shall be present through members and proxy.

ARTICLE XI

The business of this Association shall be managed by a Board of Directors of not less than three nor more than nine directors, the number, qualification, terms of office, manner of election, powers and duties of such directors shall be such as may from time to time be in force.

ARTICLE XII

The following named Incorporators shall also serve as a Board of Directors until their successors are duly elected and qualified, to-wit:

C. Ernest Nelson

11894 Highlander Road
Boise, Idaho 83705

Bob Austin

11780 Highlander
Boise, Idaho 83705

Vickie Clark

12022 La Grange
Boise, Idaho 83705

Daryl Alexander

11852 Highlander Road
Boise, Idaho 83705

Dennis Mason

11873 Highlander Road
Boise, Idaho 83705

IN WITNESS WHEREOF, we do make and execute this Certificate
in triplicate, this 2nd day of May, 1978.

11894 Highlander Road
Boise, Idaho 83705

C. Ernest Nelson
C. Ernest Nelson

11780 Highlander Road
Boise, Idaho 83705

Robert Q. Austin
Bob Austin

12022 La Grange
Boise, Idaho

Vickie M. Clark
Vickie Clark

11852 Highlander Road
Boise, Idaho 83705

Daryl Alexander
Daryl Alexander

11873 Highlander Road
Boise, Idaho 83705

Dennis Mason
Dennis Mason

STATE OF IDAHO)
) ss.
COUNTY OF ADA)

On this 2nd day of May, 1978, before me, a Notary
Public in and for said State, personally appeared C. ERNEST
NELSON, BOB AUSTIN, VICKIE CLARK, DARYL ALEXANDER, and DENNIS
MASON, 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 this certificate
first above written.

[Signature]
Notary Public of Idaho
Residing at Boise, Idaho
My Commission Expires 7-1-80