



ARIZONA CORPORATION COMMISSION

May 22, 1984

CLEAR CREEK PINES UNIT TWO WATER WELL USERS ASSOCIATION, INC.

The purpose of this letter is to notify you that your Articles of Incorporation have been approved.

Within sixty (60) days from the filing date you must have published in a newspaper of general circulation in the county of the known place of business, for three (3) consecutive publications, a copy of the articles of incorporation. An Affidavit evidencing such publication must be delivered to the Commission for filing within ninety (90) days after filing the articles of incorporation.

All corporations are required to file an annual report. Since your Fiscal Year End is December 31, 1984, the annual report is due on that date and becomes delinquent after three (3) months and fifteen (15) days.

If you are in need of further information, you may contact us at (602) 255-3135.

Very truly yours,

V. Riggle

Examiner Technician
Incorporating Division
Arizona Corporation Commission

SECRETARY COMMISSION
STATE OF AZ.
FILED

MAY 9 2 31 PM '84
R. J. G. H.
572
TELEPHONE NO. _____
DATE _____

ARTICLES OF INCORPORATION
OF
CLEAR CREEK PINES UNIT TWO
WATER WELL USERS ASSOCIATION, INC.,
AN ARIZONA NONPROFIT CORPORATION

165352

ARTICLE I

Name

The name of this corporation is CLEAR CREEK PINES
UNIT TWO WATER WELL USERS ASSOCIATION, INC.

ARTICLE II

Place of Business

The known place of business of this corporation
shall be 2301 North 16th Street, Phoenix, Arizona 85006.

ARTICLE III

Purpose

This corporation is organized as a nonprofit
corporation under chapter 5 of title 10 of the Arizona
Revised Statutes and as a tax-exempt organization pursuant
to sections 501(a) and 501(c)(12) of the Internal Revenue
Code of 1954 (or the corresponding provisions of any future
law) and section 43-1201.15 of the Arizona Revised Statutes
(or the corresponding provisions of any future law), and is
to be operated exclusively for the purpose of providing
water for the domestic use of its members.

ARTICLE IV

Character of Business and Affairs

The character of the business and affairs which
this corporation initially intends to conduct in the State
of Arizona is:

- A. To construct, operate and maintain water
wells, including, without limitation, that certain well
situated on the southeastern corner of Lot 45, CLEAR CREEK
PINES UNIT TWO, according to the plat of record recorded in
Case 1, Map 126, records of Coconino County, Arizona, and to
construct, operate, and maintain pumps, storage facilities,

and other facilities and equipment related to the production, storage, and distribution of water solely for the domestic use of its members.

B. To construct, operate, and maintain a water distribution system which shall carry and deliver water produced or acquired by the corporation to the lots of its members within the CLEAR CREEK PINES UNIT TWO subdivision.

C. To acquire water rights by purchase or appropriation as reasonably necessary to provide water exclusively for the domestic use of its members and to hold real estate, or interests therein, to the extent reasonably necessary for the conduct of its business and affairs.

D. To provide its members with water for domestic use substantially at cost.

E. To do and perform such acts as may be necessary or appropriate in carrying out the foregoing purposes of the corporation.

ARTICLE V .

Required and Prohibited Activities

A. Anything herein to the contrary notwithstanding, the corporation shall be operated as a nonprofit corporation for the sole and exclusive use and benefit of the members. The corporation shall not be operated as a common carrier of water or as a public service corporation. The corporation shall not carry or deliver water to non-members, nor shall the corporation sell or offer for sale water or other services.

B. This corporation shall not carry on any other activities not permitted to be carried on by a corporation which is exempt from federal income tax under sections 501(a) and 501(c)(12) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future law) and state income tax under section 43-1201.15 of the Arizona Revised Statutes (or the corresponding provisions of any future law).

C. Income of the corporation shall be used solely to cover losses and expenses, with any excess being returned to members or retained for future losses and expenses. At least 85 percent of the income of the corporation shall be collected from members for the sole purpose of meeting losses and expenses.

D. The bylaws of the corporation shall not provide for forfeiture of a member's rights and interest upon the sale, assignment, or transfer of his membership, except to the extent that such member has been paid in full for the value of his membership, including the value of his share of the surplus, capital, or assets of the corporation existing on the date of such sale, assignment, or other transfer.

ARTICLE VI

Existence

This corporation shall have perpetual existence.

ARTICLE VII

Membership

A. The corporation shall have members, and a membership shall entitle the holder thereof to a pro rata share of all water produced and controlled by the corporation for his sole and exclusive use within the CLEAR CREEK PINES UNIT TWO subdivision, in accordance with the bylaws of the corporation and any rules and regulations adopted by the board of directors. If a member owns more than one lot within the subdivision, he may acquire an additional membership for each lot he owns. Each membership shall be appurtenant to a lot within the subdivision, and the sale, assignment, or transfer of ownership of a lot to which a membership is appurtenant shall likewise cause the transfer of the membership.

B. Those persons who own lots within the CLEAR CREEK PINES UNIT TWO subdivision and who have contributed funds or property in order to drill and install the water well within the southeast corner of Lot 45 of the subdivision pursuant to that certain Agreement, dated April 5, 1984, shall be the initial members of the corporation.

C. The corporation may admit as additional members such persons owning lots within the CLEAR CREEK PINES UNIT TWO subdivision upon such terms and conditions as may be imposed by the bylaws and any rules and regulations adopted by the board of directors.

D. The board of directors, from time to time, may levy assessments against the members and their property within the subdivision on a pro rata basis for capital investment of the corporation, for its operation, upkeep, maintenance, and improvement of its water works and property in accordance with the bylaws and any rules and regulations

adopted by the board of directors. The payment of assessments may be enforced in such a manner as the board of directors may determine, including, without limitation, withholding of the delivery of water or terminating the membership of the delinquent member.

E. Members shall have the right to (1) elect the directors who shall serve on the board of directors of the corporation, except with respect to filling any vacancy on the board of directors which occurs during the directors' term, (2) receive water and services provided by the corporation substantially at cost, (3) receive a return of any excess of payments over losses and expenses, and (4) share in any surplus, capital, or assets upon liquidation and dissolution.

F. The annual meeting of members shall be held on the date specified in the corporation's bylaws and may be held within or without the state, as the board of directors may direct. There shall be not less than one meeting of the members each fiscal year. At the annual meeting of members, the members shall elect the individuals who shall serve on the board of directors of the corporation for the following term.

ARTICLE VIII

Board of Directors

A. The business and affairs of the corporation shall be managed by a board of directors. The number of directors shall be not less than three nor more than seven; within such limitations the number of directors shall be as specified from time to time in the corporation's bylaws. The initial board of directors shall serve until the first annual meeting of members. With the exception of the initial board of directors, the term of each director shall be one year; provided, however, that in the event of a vacancy on the board of directors, the term of any director who is elected by the board to fill such vacancy shall end with the next annual meeting of members.

B. The annual meeting of the board of directors shall be held on the date specified in the corporation's bylaws and may be held within or without the state, as the board of directors may direct. There shall be not less than one meeting of the board of directors each fiscal year.

C. Meetings of the board of directors other than the annual meeting, may be held within or without the State of Arizona as the board of directors may from time to time direct.

D. The board of directors shall have the power to adopt bylaws, to amend or repeal the same, to adopt rules and regulations to govern the delivery of water to members and assessment of the members for capital investment of the corporation, to fill vacancies occurring in the board of directors during the annual term of directors, to elect officers, to appoint committees, including, without limitation, an executive committee, with such members, powers, and authority as they may confer, and to do all other things not prohibited by law to manage the affairs of the corporation.

E. The following five persons constitute the initial board of directors to serve until the first meeting of members and until their successors shall have been duly elected and qualified:

Roy Bell
1911 North 202 Avenue, Route 1
Buckeye, Arizona 85326

Joe Choppi
131 N. Higley Road
(P.O. Box 66)
Mesa, Arizona 85205

Stephen Lightfoot
2226 West Berridge Lane
Phoenix, Arizona 85015

Ron Perryman
2301 North 16th Street
Phoenix, Arizona 85015

Dick Peterson
6725 North 10th Street
Phoenix, Arizona 85014

ARTICLE IX

Officers

The officers of this corporation shall be a president, a vice-president, a secretary, and a treasurer, and such additional officers as the board of directors may deem necessary, who shall be elected annually by the board of directors as prescribed in the bylaws. The officers elected shall hold office for a period of one year, or until their successors are elected and qualified, but shall be subject to removal by the board of directors at any time. The first officers of this corporation shall be elected by the board of directors at the first meeting of such board of directors, and shall serve at the pleasure of the board.

ARTICLE X

Liability and Indemnification

The directors, officers, and members shall not be individually liable for this corporation's debts or other liabilities, and the private property of such directors, officers, and members shall be exempt from any corporate debts or liabilities. This corporation shall indemnify its directors, officers, members, employees, agents, and incorporators to the fullest extent permitted by applicable law.

ARTICLE XI

Dissolution and Liquidation

In the event of the dissolution or liquidation of this corporation, the board of directors shall, after paying or making provision for the payment of all the liabilities of the corporation, distribute any and all surplus, capital, or assets thereof to those persons who were members during the period such surplus, capital, or assets were owned by the corporation in proportion to their total payments to the corporation during such period of time, except to the extent that the portion of such surplus, capital, or assets attributable to the payments of a former member, whose membership has been sold, assigned, or otherwise transferred, have previously been paid to such former member.

ARTICLE XII

Incorporators

The following individuals constitute the incorporators of this corporation:

Norman D. James
Suite 2600, The Arizona Bank Building
101 North First Avenue
Phoenix, Arizona 85003

Mark V. Scheehle
Suite 2600, The Arizona Bank Building
101 North First Avenue
Phoenix, Arizona 85003

ARTICLE XIII

Statutory Agent

This corporation hereby appoints Norman D. James, with offices and an address at Suite 2600, The Arizona Bank

Building, 101 North First Avenue, Phoenix, Arizona 85003,
who has been a bona fide resident of Arizona for the last
three years, its statutory agent.

IN WITNESS WHEREOF, the undersigned incorporators
have hereunto set their hands as of the 9th day of May,
1984.

Norman D. James
NORMAN D. JAMES,
Incorporator

Mark V. Scheehle
MARK V. SCHEEHLE,
Incorporator

STATE OF ARIZONA)
) ss.
County of Maricopa)

9th This instrument was acknowledged before me this
day of May, 1984 by NORMAN D. JAMES.

Eugene Rodgers
Notary Public

My Commission Expires:

May 5, 1987

STATE OF ARIZONA)
) ss.
County of Maricopa)

9th This instrument was acknowledged before me this
day of May, 1984 by MARK V. SCHEEHLE.

Eugene Rodgers
Notary Public

My Commission Expires:

May 5, 1987

Approved Amendments
By the Members
September 2, 2018

ARTICLES OF INCORPORATION
OF
CLEAR CREEK PINES UNIT TWO
WATER WELL USERS ASSOCIATION, INC.,
AN ARIZONA NONPROFIT CORPORATION

The following amendments were proposed by the Board of Directors and approved by membership at the 2018 Annual Meeting.

ARTICLE II

Place of Business

The known place of business of this corporation shall be identified and maintained in the corporation's bylaws.

ARTICLE VIII

Board of Directors

- A. The business and affairs of the corporation shall be managed by a board of directors. The number of directors shall be not less than three, nor more than eleven; within such limitations the number of directors shall be as specified from time to time in the corporation's bylaws. The initial board of directors shall serve until the first annual meeting of members. With the exception of the initial board of directors, the term of each director shall be one year; provided, however, that in the event of a vacancy on the board of directors, the term of any director who is elected by the board to fill such vacancy shall end with the next annual meeting of members.

ARTICLE XIII

Statutory Agent

The statutory agent shall be identified and maintained in the corporation's bylaws.