

**ARTICLES OF AMENDMENT  
TO THE ARTICLES OF INCORPORATION  
OF  
SOUTHERN ARIZONA WATER USERS ASSOCIATION**

1. The name of the corporation is Southern Arizona Water Users Association.
2. Article V. of the Articles of Incorporation is deleted in its entirety and the following is substituted therefor:
  - V. Upon the year of the dissolution or winding-up of the Corporation, its assets remaining after payment of, or provision for payment of, all debts and liabilities of the Corporation, shall be apportioned and distributed to the full members on the basis of dues paid to the Corporation.
3. The amendment was adopted on the 9<sup>th</sup> day of April, 2002.
4. There were no members entitled to vote on the proposed amendment to the articles of incorporation; accordingly, the amendment was duly adopted by act of the Board of Directors.

DATED as of this 9<sup>th</sup> day of April, 2002.

Southern Arizona Water Users Association

By 

Name MARK R. STRATTON

Title President

**ARTICLES OF INCORPORATION  
OF  
SOUTHERN ARIZONA WATER USERS ASSOCIATION**

I.

The name of the Corporation is Southern Arizona Water Users Association.

II.

The Corporation is organized and shall be operated as a nonprofit corporation under the laws of the State of Arizona exclusively for the promotion of a common business interest, as provided by section 501(c)(6) of the Internal Revenue Code of 1986, or the corresponding provision of any future United States Internal Revenue law (the "Code"). The Corporation may conduct any or all lawful affairs for which an Arizona nonprofit corporation may be incorporated except for activities not permitted to be carried on by a corporation described in section 501(c)(6) of the Code.

III.

The Corporation initially intends the following:

- (1) To discuss, analyze and recommend ways to preserve and enhance the quality and quantity of Southern Arizona's water resources;
- (2) To exercise leadership and initiative to determine and encourage the most effective management of the region's sustainable supplies of quality water;
- (3) To discuss and analyze federal, state, regional and local water resource management, policy and planning;
- (4) To consult, coordinate and cooperate in the development of effective water resource policy and planning; and
- (5) To ensure appropriate policies and programs are in place to protect the quantity and quality of water resources within and available to Southern Arizona.

IV.

No part of the net earnings of the Corporation shall inure to the benefit of any private shareholder or individual.

V.

Upon the year of the dissolution or winding-up of the Association, its assets remaining after payment of, or provision for payment of, all debts and liabilities of the Association, shall be apportioned and distributed to the full members on the basis of dues paid to the Association.

VI.

The name and address of the Corporation's initial statutory agent is Brown & Bain, P.A., One South Church Avenue, Suite 1900, Tucson, Arizona 85701.

VII.

The Corporation shall have no authority to issue capital stock. The conditions of membership of the Corporation shall be stated in the Corporation's by-laws.

VIII.

The name and address of the incorporator is as follows:

Mark R. Stratton  
Metro Water District  
P.O. Box 36870  
Tucson, Arizona 85740

Brad DeSpain  
Town of Marana  
12775 N. Sanders Road  
Marana, Arizona 85653

IX.

The Corporation will have members.

X.

The initial Board of Directors shall be comprised of nine (9) directors, identified below, who will serve as directors until the first annual meeting of the directors or until their successors are elected and qualified:

George Brinsko  
Pima County Wastewater Management  
201 N. Stone Ave., 8th Floor  
Tucson, Arizona 85701

Chuck Sweet  
Town of Oro Valley  
11000 N. La Cañada Drive  
Oro Valley, Arizona 85737

Robert Condit  
Cortaro-Marana Irrigation District  
12253 W. Grier Road  
Marana, Arizona 85653

Ron Wong  
BKW Farms  
P.O. Box 186  
Marana, Arizona 85653

David Crockett  
Flowing Wells Irrigation District  
3901 N. Fairview  
Tucson, Arizona 85705

Brad DeSpain  
Town of Marana Municipal Water Department  
12775 N. Sanders Road  
Marana, Arizona 85653

Alan Forrest  
Community Water Company of Green Valley  
P.O. Box 1078  
Green Valley, Arizona 85622

Michael R. Lytle  
Avra Water Co-op  
11821 W. Picture Rocks Road  
Tucson, Arizona 85743

Mark R. Stratton  
Metropolitan Domestic Water Improvement  
District  
P.O. Box 38670  
Tucson, Arizona 85740

To the full extent now or in the future permitted by law, any and all personal liability of a director to the Corporation for damages, money or otherwise, for breach of any duty as a director, including without limitation, fiduciary duty, is eliminated. The private property of the Corporation's directors and officers shall be exempt from all corporate debts.

XI.

The Board of Directors shall have the power to adopt, amend or repeal the by-laws of the Corporation by a simple majority vote.

XI.

Elections of Directors need not be by written ballot, unless the by-laws of the Corporation shall so provide.

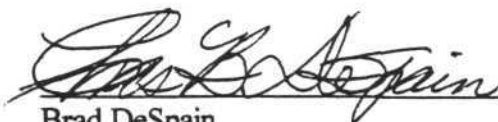
XII.

After the election of the initial Board of Directors by the incorporator and the admission of the initial members of the Corporation, Directors shall be elected by the members from time to time, in accordance with the Arizona Revised Statutes, this Article XIII, and the by-laws of the Corporation. At each such election, each member shall be entitled to elect one person nominated by it to the Board of Directors as though such member were voting all of the shares of a class of stock in a stock corporation and such class had the right to elect its own Director. The provisions of the Arizona Revised Statutes governing the election by a class of stock of a Director, and matters related thereto, shall similarly apply, on an analogous basis, to this Corporation, but the members of the Corporation shall not otherwise be treated as belonging to different classes. Each such Director shall hold office for one year or until his successor is elected and qualified or until his earlier death, resignation or removal. The Board of Directors may, as provided in the by-laws of the Corporation, remove any Director elected by a member which is no longer a member. Each Director shall have one vote.

I, THE UNDERSIGNED, being the incorporator herein before named, for the purpose of forming a corporation pursuant to the Arizona Revised Statutes do make these Articles of Incorporation hereby declaring and certifying that this is my act and deed and the facts herein stated are true, and accordingly hereunto set my hand this 30 day of December, 1999.



Mark R. Stratton  
Incorporator



Brad DeSpain  
Incorporator