

# State of South Dakota



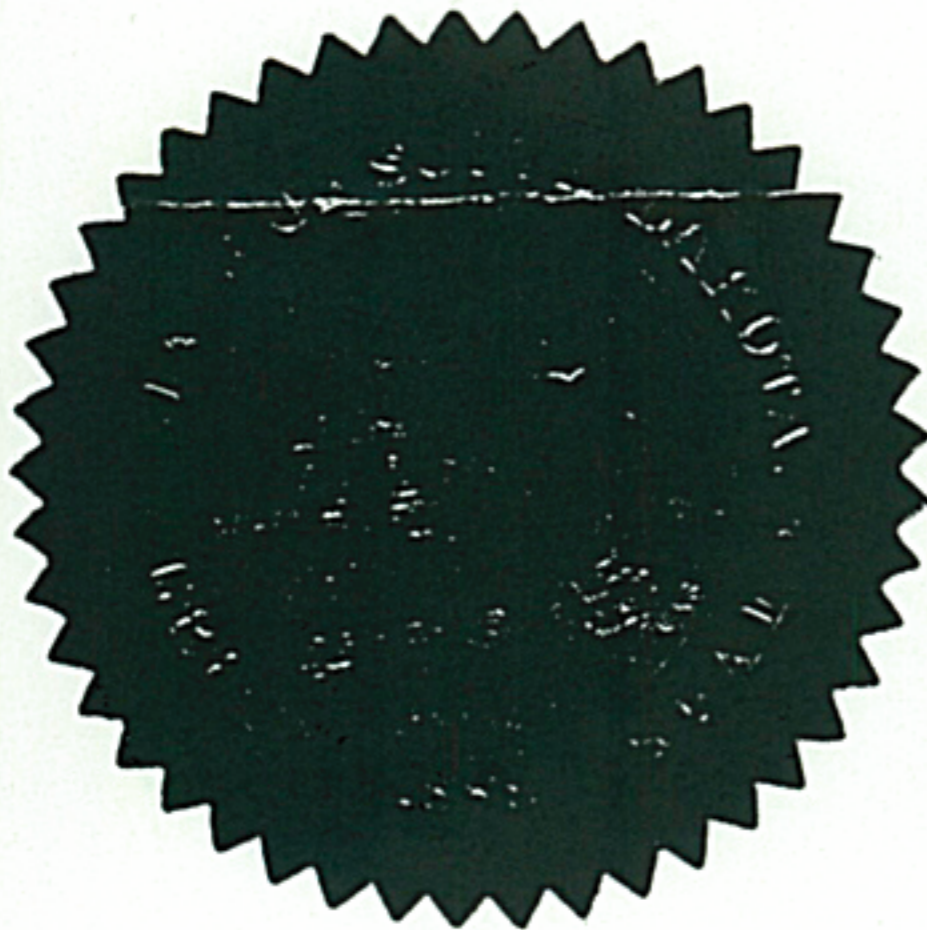
## OFFICE OF THE SECRETARY OF STATE

### CERTIFICATE OF INCORPORATION

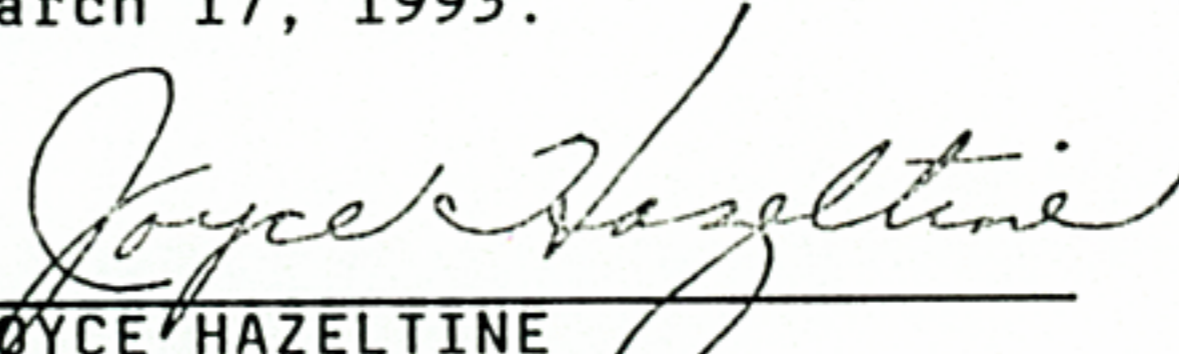
### NONPROFIT CORPORATION

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that the Articles of Incorporation of PERKINS COUNTY RURAL WATER SYSTEM, INC. duly signed and verified, pursuant to the provisions of the South Dakota 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 hereby issued this Certificate of Incorporation and attach hereto a duplicate of the Articles of Incorporation of PERKINS COUNTY RURAL WATER SYSTEM, INC.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this March 17, 1993.

  
JOYCE HAZELTINE  
Secretary of State

Filed this 17th day of  
March, 1993

*Joyce Hazelton*  
SECRETARY OF STATE

RECEIVED  
MAR 17 1993  
Secretary of State

ARTICLES OF INCORPORATION  
OF  
PERKINS COUNTY RURAL WATER SYSTEM, INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, DON MCKINSTRY, LAUREN ZIMMERMANN, ALAN GUNTHER and ANTHONY WALLER, residents of the State of South Dakota, over twenty-one (21) years of age, have associated ourselves together for the purpose of forming a non-profit Corporation in accordance with the provisions of Chapter 47-22, South Dakota Codified Laws, and do hereby make, execute and acknowledge in duplicate these Articles of Incorporation in writing.

ARTICLE I.

The name of this Corporation shall be  
PERKINS COUNTY RURAL WATER SYSTEM, INC.

ARTICLE II.

The period of its duration is perpetual.

ARTICLE III.

The objects and purposes of this Corporation are as follows, to-wit:

1. To acquire, construct, maintain and operate a system for the diversion, supply, storage and distribution of water to the members of this Corporation, its patrons and/or customers,

for domestic or commercial purposes within the area served by the Corporation.

2. To acquire by appropriation or otherwise, and to lease, sell or dispose of water and water rights for domestic or commercial purposes. To provide a source of water from the Southwest Water Authority or any other feasible source to its members, patrons and customers and to construct, build and own plants, facilities and pipelines for the transporting of said water to its members, patrons and customers.

3. To borrow money for the use of said Corporation and to issue securities therefor, and to pledge, mortgage, hypothecate and otherwise dispose of the real, personal and intangible property of the Corporation as security therefor.

4. To establish rates for the delivery of water to its members and to provide for the collection thereof and to exercise any and all other powers incidental and conducive to the aforesaid objects or any of them.

#### ARTICLE IV.

The principal place of business of the Corporation shall be located at Bison, South Dakota. There is no street address.

#### ARTICLE V.

The address of the initial registered office shall be Bison, South Dakota, and the name of the initial Registered Agent is DONALD McKINSTRY, whose address is P.O. Box 173, Bison, South Dakota 57620, and said DONALD McKINSTRY does hereby consent to his appointment as Registered Agent by virtue of his signature to

these Articles.

ARTICLE VI.

The affairs of the Corporation are to be managed by a Board of Directors which shall consist of, at the outset, not less than nine (9) Directors. The names and addresses of the initial Board of Directors are as follows, to-wit:

DONALD McKINSTRY  
Box 173  
Bison, South Dakota 57620

LAUREN ZIMMERMANN  
HCR 4 Box 9  
Hettinger, North Dakota 58639

ALAN GUNTHER  
HCR 03 Box 23  
Lodgepole, South Dakota 57640

ANTHONY WALLER  
203 9th St. West  
Lemmon, South Dakota 57638

PAUL ADCOCK  
HCR 69 Box 419  
Bison, South Dakota 57620

GARY ERICSSON  
709 2nd St. West  
Lemmon, South Dakota 57638

DON BELD  
HCR 04 Box 72  
Lodgepole, South Dakota 57640

LYNN C. FREY  
HCR 82 Box 63  
Lemmon, South Dakota 57638

TERRY HAGGART  
Box 93  
Bison, South Dakota 57620

At the first Annual Meeting following the expiration of the one-year period for which Directors herein designated will serve, and at each Annual Meeting thereafter, a new Board of Directors will be elected in accordance with the provisions of the By-Laws of the Corporation and the laws of the State of South Dakota, in such cases made and provided. The By-Laws may also provide for a different number of Directors.

ARTICLE VII.

The names and addresses of each incorporator are as follows, to-wit:

DONALD McKINSTRY  
Box 173  
Bison, South Dakota 57620

LAUREN ZIMMERMANN  
HCR 4 Box 9  
Hettinger, North Dakota 58639

ALAN GUNTHER  
HCR 03 Box 23  
Lodgepole, South Dakota 57640

ANTHONY WALLER  
203 9th St. West  
Lemmon, South Dakota 57638

#### ARTICLE VIII.

The Board of Directors shall have the authority and power to establish schedules of rates to be used from time to time for the delivery and sale of water; to provide for a minimum hookup service to the water system; and to generally provide for rules and regulations for the operation and maintenance of the rural water system.

#### ARTICLE IX.

##### Section 1.

There shall be no capital stock issued by the Corporation and membership in the Corporation shall be limited to persons, corporations or bodies politic owning, controlling or occupying land situated within the area served by the water system of the Corporation and reasonably accessible thereto. Applicants for membership must be approved by the Board of Directors and must pay the membership fee as fixed by the Board of Directors, provided, that no person, corporation or body politic shall be entitled to or be admitted to membership if the capacity of the Corporation's system or sources of water supply is required to meet the needs of existing members.

##### Section 2.

Membership in this Corporation shall be transferable and

subject to mortgage or pledge only upon the approval of the Board of Directors.

ARTICLE X.

The By-Laws of the Corporation for the management of its affairs shall be adopted by the Board of Directors and said Board of Directors shall be empowered to amend or repeal said By-Laws from time to time by means of a majority vote at any regular or special meeting thereof.

ARTICLE XI.

Neither cumulative nor proxy voting shall be allowed. Each member shall be permitted only one (1) vote.

ARTICLE XII.

This Corporation is not organized for pecuniary profit, nor shall it have any power to issue certificates of stock or declare dividends, and no part of its net earnings shall inure to the benefit of any member, director, trustee or individual. The balance, if any, of all monies received by the Corporation from its operations, after the payment in full of all debts and obligations of the Corporation of whatsoever kind and nature, shall be used and distributed exclusively for carrying out only the purpose or purposes of the Corporation.

ARTICLE XIII.

Distribution of the funds or other property of the Corporation shall not be made until all debts are fully paid and then only upon its final dissolution, nor shall any distribution

be made except by vote of a quorum of the Board of Directors as provided herein. The Board of Directors shall have authority and power upon a majority vote thereof to transfer all of the assets, liabilities, contracts and other obligations of the Corporation to a Water User District as defined in Section 46-16-2 SDCL, provided that said action is also approved by a majority vote of the Water User District Board of Directors.

#### ARTICLE XIV.

This Corporation may be dissolved upon a majority vote of the Board of Directors. In the event of dissolution, any and all funds remaining in the Corporation shall be transferred to any other or several non-profit organizations or political subdivisions having one (1) or more purposes in common with this Corporation.

#### ARTICLE XV.

To the fullest extent permitted by South Dakota Codified Laws, as the same exist or may hereafter be amended, a Director of this Corporation shall not be personally liable to the Corporation or its members for monetary damages for breach of fiduciary duty as a Director.

#### ARTICLE XVI.

No member's individual liability shall extend beyond the consideration paid by each member for his, hers or its membership certificate.

IN WITNESS WHEREOF, we have hereunto set our hands and seals

this 26<sup>th</sup> day of February, 1993.

DONALD McKINSTRY

Donald McKinstry  
Donald McKinstry, Incorporator

LAUREN ZIMMERMANN

Lauren Zimmermann  
Lauren Zimmermann, Incorporator

ALAN GUNTHER

Alan Gunther  
Alan Gunther, Incorporator

ANTHONY WALLER

Anthony Waller  
Anthony Waller, Incorporator

STATE OF SOUTH DAKOTA )  
  ) ss  
County of Perkins        )

BE IT REMEMBERED that on the 26<sup>th</sup> day of February, 1993, before the undersigned officer, personally appeared the above named DONALD McKINSTRY, LAUREN ZIMMERMANN, ALAN GUNTHER and ANTHONY WALLER, well and personally known to me to be the same persons described in and who executed the foregoing instrument and duly acknowledged to me that they executed the same for the purposes therein set forth.



